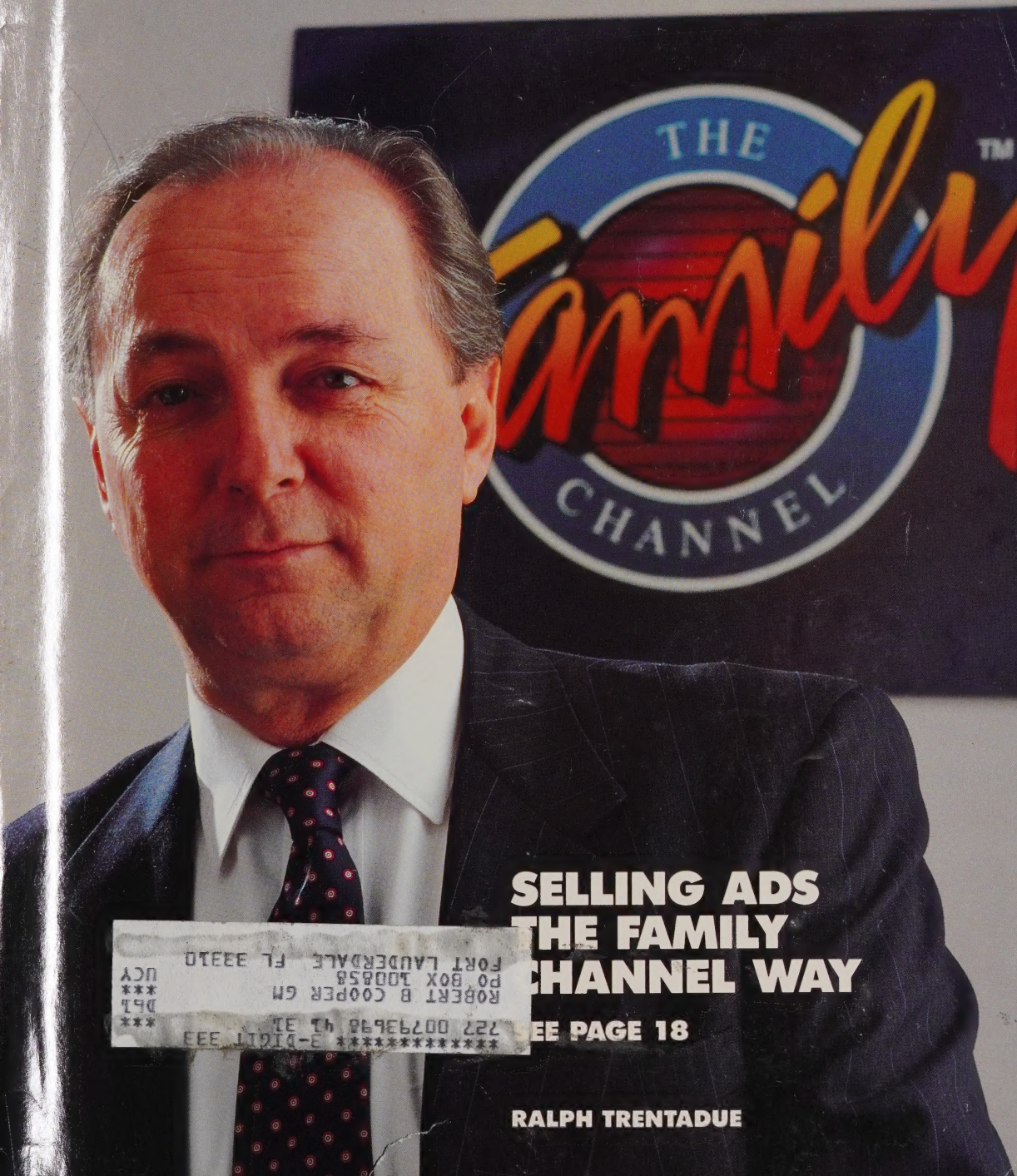
Cable tv Business
April 1, 1990
26th Anniversary Year



SELLING ADS THE FAMILY CHANNEL WAY

SEE PAGE 18

RALPH TRENTADUE

"THE ROSE AND THE JACKAL WAS THE FIRST COMPLETELY SATISFYING SCRIPT TO COME ALONG IN A LONG TIME."

—Christopher Reeve

On April 16, TNT premieres a different kind of Civil War story. THE ROSE AND THE JACKAL stars Christopher Reeve as the founder of the U.S. Secret Service who finds himself divided by duty to his nation and love for a beautiful confederate spy. To Reeve, it was an opportunity to extend his varied talents.

CHRISTOPHER REEVE ON CREATIVITY AND CABLE:

"The cable industry is making the kind of movies the studios might not make. They're giving actors opportunities they might not get in studio pictures. Right now I'm being very selective in what I do. These are the kind of parts I've played many, many times in the theater—but never on film. In film, people are typecast."

"TNT is developing a nice image—prestigious projects like MARGARET BOURKE WHITE, COLD SASSY TREE, DINNER AT EIGHT, THE ROSE AND THE JACKAL. I think this is terrific. There's a lot of actors out there who want to make strong creative choices, who are going to be happy to come and work for cable, particularly TNT."

TNT SM

TURNER NETWORK TELEVISION

Circle 1 on page 11.

For details on becoming a TNT affiliate, call your Turner Cable Network Sales representative in Atlanta at 404-827-2250 or in San Francisco at 415-495-0170.

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Christopher Reeve as Alan Pinkerton, founder of the U.S. Secret Service.

Madolyn Smith Osborne as Rose Greenhow, Washington socialite turned Confederate spy.

Cable tv Business

April 1, 1990

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Cover: Ralph Trentadue, national director, local ad sales, The Family Channel. Photo: Mike Meleski, Chicago.

CABLE TELEVISION BUSINESS MAGAZINE, formerly TVC, (ISSN 0745-2808) is published semi-monthly. This issue April 1, 1990, Volume 27, No. 7. Copyright 1990 by Cardiff Publishing Company, 6300 S. Syracuse Way, Suite 650, Englewood, CO 80111, (303) 220-0600, a subsidiary of Argus Press Holdings, Inc. Contents may not be reproduced in any form without written permission. Second-Class Postage paid at Englewood, CO. and at additional offices. Subscription office: 1 East First Street, Duluth, MN 55802, (1-218-723-9355). Subscription rates: $33.00 per year in the United States; $51.00 per year in Canada and Mexico; $54.00 per year for foreign countries. Additional costs for first class or air mail. Payment must be made in U.S. funds and accompany request. If available, single copies and back issues are $4.00 (U.S.) and $11.00 (foreign). This publication is available on microfilm/fiche from University Microfilms International, 300 N. Zeeb Road, Ann Arbor, MI 48106 USA (313) 761-4700.
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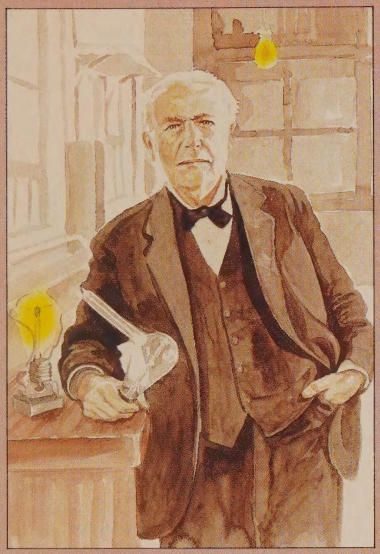

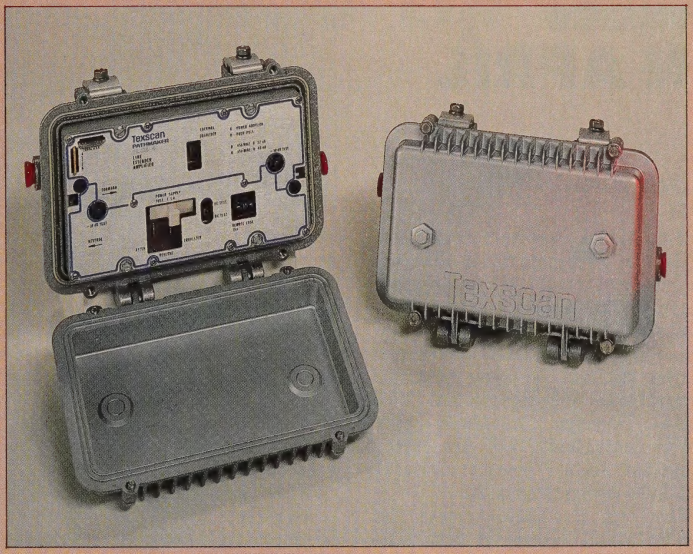

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PATHMAKERS IN TECHNOLOGY

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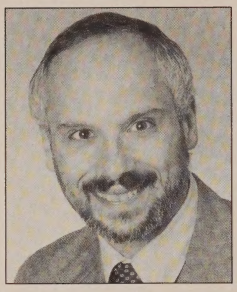
COMMENTARY

FLYING HIGH IN APRIL



By Chuck Moozakis
Editor

If it's April, it must be National Cable Month. Now in its fourth year, the industry-backed promotion has won increasing support.

In 1990, nearly 60 networks are behind the effort, which is coordinated by the National Academy of Cable Programming and the NCTA. This year's campaign, headlined "TV You've Gotta See!," will, like 1989's promotion, feature specific networks each night during the month.

What will be different, says the NACP's Carol Vernon, is that NCM will be backed by an exclusive sponsor, Pizza Hut. Under an agreement announced earlier this year, the fast-food chain will spend up to $7 million to promote its products and National Cable Month. The centerpiece will be an NCM calendar, featuring cable network logos and titles, that will be printed on 20 million Pizza Hut place mats around the country.

Meanwhile, programmers and NCM planners are busily promoting the shows, specials, movies and sporting events that will be aired this month. Programming ranges from USA Network's first mini-series to ESPN's coverage of Major League Baseball. Black Entertainment Television will also celebrate its 10th anniversary with a special honoring "Video Soul."

What all of these activities reflect is cable programming's growing importance in the media marketplace. And operators and programmers have reaped the benefits. Cable's networks are grabbing even fatter viewing shares — as broadcast television ratings continue to plummet. Ad revenues, at the same time, are growing every year, thanks to the networks, operators and the Cabletelevision Advertising Bureau.

It has become trendy to bash cable television. Legislators, consumer group leaders and competitors have blistered cable with charges that the industry is nothing more than a monopolistic entity, unconcerned with subscriber concerns.

While that debate rages, it is easy to forget the reality. And that reality is simple: for millions of people, cable television is entertainment, information and choice. That is quite a responsibility for an industry to provide, and cable, for the most part, has taken that responsibility seriously.

During this critical legislative environment, the industry needs to further acknowledge that responsibility. So, even as cable fluffs ups its feathers and flies high in April, care must be taken to avoid being seriously shot down in May.

On another subject: We welcome back to these pages Hale Montgomery, who is serving as Washington bureau chief on an interim basis. Hale was last associated with this publication four years ago. Also, Vibeke Holm-Hansen has joined *Cable tv Business* as Denver bureau chief. Vibeke, who has covered telecommunications issues for more than three years, succeeds Tamara Bennett, who resigned to serve as manager of communications for a Denver organization. Finally, a personal note: To my favorite river rafter, we miss you.

Established 1964
Formerly *TVC* Magazine
Published by Cardiff Publishing Co.

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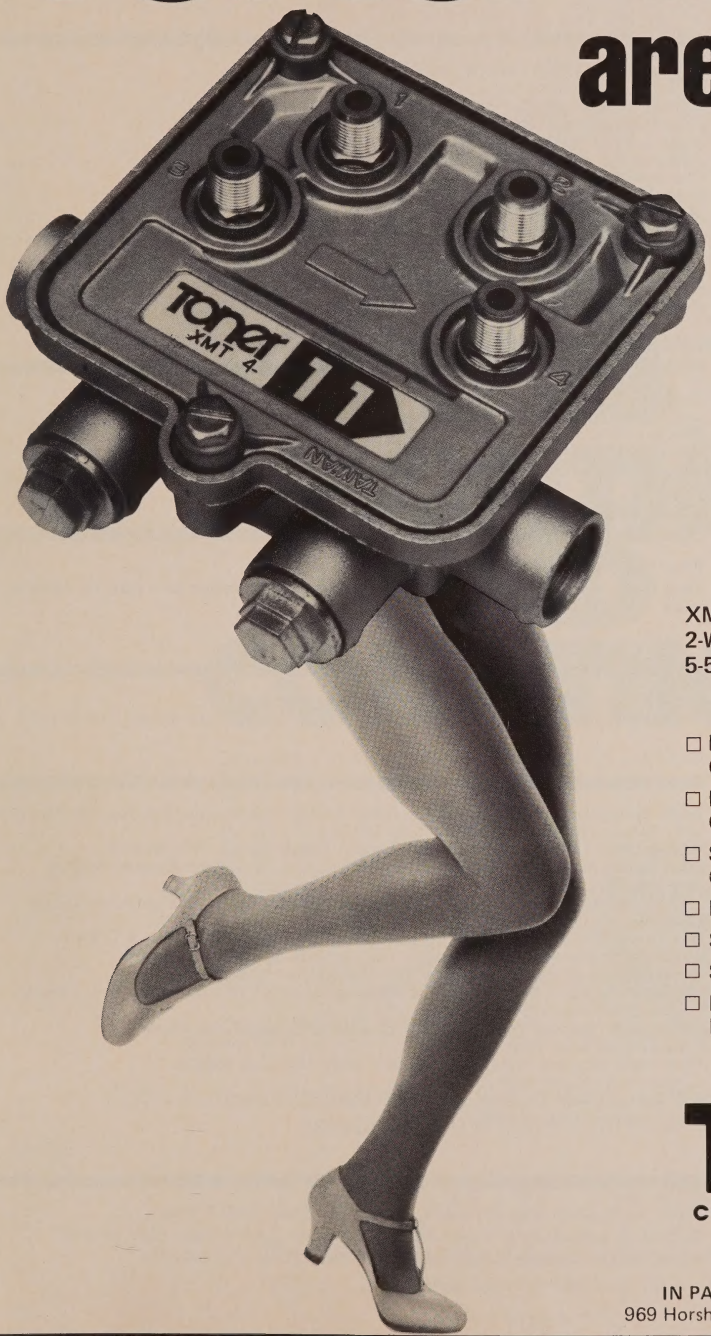

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Circle 3 on page 11.

CALENDAR

SCTE MEETINGS

April	**4-5**	**Big Sky**/Marla DeShaw (406) 632-4300.
	7	**Rocky Mountain**/Steve Johnson (303) 799-1200.
	10	**Central Illinois**/Ralph Duff (217) 424-8478.
	11	**Lake Michigan**/Grant Pearce (616) 247-1701.
	11	**North Central Texas**/M.J. Jackson (800) 528-5567.
	11	**Palmetto**/Rick Barnett (803) 747-1403.
	12	**Chesapeake**/Keith Hennek (301) 731-5560.
	18	**Great Plains**/Jennifer Hays (402) 333-6484.
	18	**Sierra**/Steve Allen (916) 786-2469.
	20	**Miss-Lou**/Dave Matthews (504) 923-0256.
	24	**Chattahoochee**/Richard Amell (404) 394-8837.
	25	**New Jersey**/Art Mutschler (201) 672-1397.
	28	**Tip-O-Tex**/Mike Strakos (512) 664-8715.
	24	**Satellite Tele-Seminar Program**

MAGNAVOX MOBILE TRAINING CENTER SEMINARS

April	**4-6**	**Stockton, Calif.**
	9-11	**Los Angeles, Calif.**
	17-19	**Phoenix, Ariz.**
	24-26	**Santa Fe, N.M.**

Contact: Amy Costello Haube (800) 448-5171 or in New York (800) 522-7464.

SIECOR CORPORATION FIBER OPTIC TRAINING PROGRAM

April	**3-6**	**Fiber Optic Installation and Splicing for LAN,**
June	**25-28**	**Fiber Optic Installation, Splicing, Maintenance and Restoration for Cable TV Applications.** Contact: Lois A. Boynton (704) 327-5998.

KAGAN SEMINARS

April	**17**	**Cable TV Programming**/The Park Lane Hotel, New York.
	26	**European Cable/Pay TV**/Le Meridien London, London. Contact: Genni Russell (408) 624-1536.

OTHER EVENTS

April	**19-20**	**Cable Television Law: Revisiting the Cable Act**/Hotel Meridien-San Francisco, San Francisco, Calif. Contact: Practising Law Institute (212) 765-5700.
	22-25	**National PPV Conference**/Orlando, Fla. Contact: Colleen Harkins (703) 549-4200.
	23-25	**Fiber Optics to the Year 2000**/Plaza Hotel, Monterey, Calif. Contact: Electronicast Corp. (415) 572-1800.
	24-26	**State of the Art Technical Seminars**/Albany, NY. Contact: Teresa M. Harshbarger, C-COR Electronics Inc. (800) 233-2267.
	25-26	**Jerrold & CTAM Present Cable Insights '90: Taking the Mystery Out of CATV Technology**/Loews Anatole Hotel, Dallas. Contact: Kathy Mchale (800) 562-6965.
May	**7-9**	**Marketing Policy and Strategy**/New York. Contact: Nancy Ring (312) 661-1700.
	8	**Headend and Earth Station Systems Training**/Holiday Inn Crowne Plaza/LAX, Los Angeles. Contact: Sylvia Rogers (800) 722-2009.
	9	**Distribution Systems Training**/Holiday Inn Crowne Plaza/LAX, Los Angeles. Contact: Sylvia Roger (800) 722-2009.
	10	**Fiber Optic Systems Training**/Holiday Inn Crowne Plaza, Los Angeles. Contact: Sylvia Rogers (800) 722-2009.
	14-17	**BSI Annual Users' Conference**/Hiltonhead Island, S.C. Contact: Carole Bannister (803) 297-9290.

SHOWS TO NOTE

May	**20-23**	**NCTA Convention**/Convention Center, Atlanta, Ga. Contact: (202) 775-3550.
June	**21-24**	**SCTE Convention**/National Convention Center, Nashville, Tenn. Contact: (215) 363-6888.
July	**15-18**	**CTAM Annual Conference**/San Diego, Calif. Contact: CTAM (703) 549-4200.

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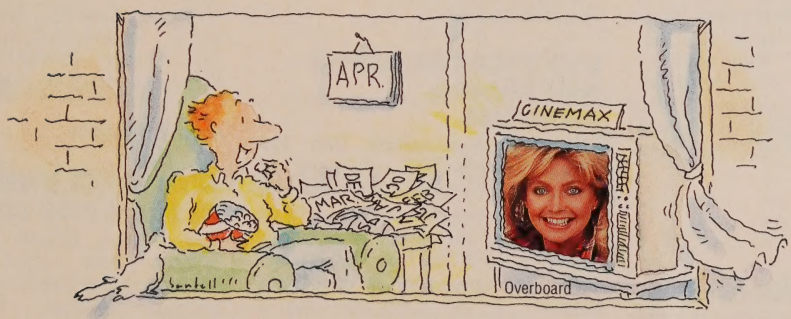

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The Most Movies On Pay TV

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EXECUTIVE DIGEST

TNT NFL PACKAGE SPARKS CONCERN

Turner Broadcasting Systems' decision to move its **NFL football** package from superstation **TBS** to **Turner Network Television** has apparently raised the **ire** of several **MSO** chiefs who are reluctant to accept the deal on behalf of their subscribers. Among the recalcitrant MSOs: Texas-based **TCA Cable.** Says chairman **Bob Rogers,** "The cost of these new sports packages is getting ridiculous, and we are looking at ways — such as tiering or selective marketing — to hold things in check. Several of us may balk at the whole package proposal, or reduce our participation only to those markets where we perceive a strong demand for sports programming and a good opportunity for local ad sales."

More specifically, Rogers is unhappy with the switch from TBS to TNT for a couple of reasons: First, he says he is required to place TNT on basic without tiering, but in some TCA systems TNT is already on a tier. Second, he calls Turner's position a "take it or leave it proposition. If we don't do what Turner wants, they say we can't have TNT." Those kinds of words, Rogers adds, could signal the start of a battle between some operators such as himself and Turner (or possibly ESPN) over the 1990 NFL package.

COOKE SALE RUMORS DEBUNKED

Rumors have been circulating that the **closure** of the **Cooke Cablevision** properties may be **in trouble.** Yet, parties connected with the deal **deny** that there is any **problem** beyond the difficulties experienced by business in general (including the cable industry) in arranging financial backing. Several Cooke property purchasers (TCA Cable, Tele-Communications Inc. and Chambers Communications) have already closed on their part of the deal, and the purchase of Cooke's Knoxville, Tenn., system by a United Artists affiliate is proceeding according to plan, according to **Lazard Freres' Steve Rattner,** who is handling the sale. Moreover, should any of the parties experience problems, TCI is "backstopping all the agreements," Rattner adds. The portions of the deal where **financing** has **not totally been put in place** are the acquisitions by InterMedia Partners, Falcon Cable and principals in the Adelphia Communications organization.

BET MAKES FIRST FIGHT DEAL

Butch Lewis Productions Inc. and **Black Entertainment Television** have formed an **exclusive partnership** to produce original programming and pay per view events for BET. The package will include regular monthly live boxing events, comedy specials and other sports and entertainment programming.

SYNDICATOR SIGNS NOSTALGIA CHANNEL

LBS Communications Inc. has signed a five-year agreement to provide the **Nostalgia Channel** with **marketing support** and to serve as its exclusive advertising sales representative. LBS and Nostalgia officials called the agreement the first ever between a TV syndicator and a basic-cable network.

'HOLY BUY RATE': BATMAN SOARS

Warner Bros. officials called the pay per view performance of **Batman** "spectacular." The movie is earning at least 3.5 to 5.0 buy rates and in some systems has attracted 6 and 7 buy rates. Paragon Cable in Portland, Ore., may have posted a 10 buy rate by the end of March. Warner attributed the movie's success to extensive marketing. Warner titles usually average buy rates of 1 or less. Meanwhile, **Reiss Media Enterprises** says its New Kids On the Block PPV concert earned 2.5 to 3.0 buy rates, possibly setting records.

L.A. OPERATORS OFFERING 'TV TIMES'

Comcast Cablevision of Southern California and **Times Mirror** unit **Dimension Cable Services of Orange County** have announced their intent to offer subscribers **TV Times,** the customized guide produced by TM's *Los Angeles Times*/Orange County edition. (*Cable tv Business,* March 1, page 10.) Comcast plans the launch for June 1 to its 85,000 customers and Dimension will introduce the guide sometime this month to its 110,000 customers. Meanwhile, Dimension officials are seriously considering whether or not to join the **Orange County Cable News** service backed by *L.A. Times* rival *The Orange County Register.* A decision is expected shortly.

STATEN ISLAND SYSTEM FOR SALE

The **Staten Island,** N.Y., cable system, jointly owned by **Gilbert Media** and **Cox Cable,** is going on the **for-sale market,** even though property sales have been moving at snail's pace in recent months. Sale of the 60,000-subscriber system will be co-brokered by **Waller Capital Corp.** and **Chase Manhattan Bank,** with Waller the lead broker. The most likely buyers: Cablevision Systems Corp. or Time Warner.

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014 ☐ MSO Headquarters
015 ☐ Affiliated System
021 ☐ Cable TV Contractor
022 ☐ Cable TV Program Network
023 ☐ SMATV or DBS Operator
024 ☐ MDS STV, or LPTV Operator
050 ☐ Microwave or Telephone Company
061 ☐ Commercial Television Broadcaster
050 ☐ Cable TV Component Maufacturer
030 ☐ Cable TV Investor
091 ☐ Financial Institution, Broker or Consultant
092 ☐ Law Firm or Government Agency
100 ☐ Program Producer or Distributor
101 ☐ Advertising Agency
070 ☐ Educational TV Station, School or Library
200 ☐ Other _____

3. Please check all categories for which you influence purchase.

1. ☐ Cable System Components and Equipment
2. ☐ Programming
3. ☐ Other _____

4. Please check the ONE category which best describes the number of subscribers to your cable system.

1. ☐ 50,000 & over
2. ☐ 20,000 - 49,999
3. ☐ 10,000 - 19,999
4. ☐ 5,000 - 9,999
5. ☐ 3,500 - 4,999
6. ☐ 1,000 - 3,499
7. ☐ 500 - 999
8. ☐ 250 - 499
9. ☐ Under 250

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3	28	53	78	103	128	153	178	203	228
4	29	54	79	104	129	154	179	204	229
5	30	55	80	105	130	155	180	205	230
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7	32	57	82	107	132	157	182	207	232
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10	35	60	85	110	135	160	185	210	235
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22	47	72	97	122	147	172	197	222	247
23	48	73	98	123	148	173	198	223	248
24	49	74	99	124	149	174	199	224	249
25	50	75	100	125	150	175	200	225	250

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PLEASE CHECK PRIMARY TYPE OF BUSINESS (Check one only)

1. What is your title? _____

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5	30	55	80	105	130	155	180	205	230
6	31	56	81	106	131	156	181	206	231
7	32	57	82	107	132	157	182	207	232
8	33	58	83	108	133	158	183	208	233
9	34	59	84	109	134	159	184	209	234
10	35	60	85	110	135	160	185	210	235
11	36	61	86	111	136	161	186	211	236
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21	46	71	96	121	146	171	196	221	246
22	47	72	97	122	147	172	197	222	247
23	48	73	98	123	148	173	198	223	248
24	49	74	99	124	149	174	199	224	249
25	50	75	100	125	150	175	200	225	250

Name _____
Title _____
Firm Name _____
Address _____
City _____ **State/Zip** _____ **Phone** _____

PLEASE CHECK PRIMARY TYPE OF BUSINESS (Check one only)

1. What is your title? _____

2. Please check the category that best describes your firm's primary business (please check only *one*).

010 ☐ Independent Cable TV System
012 ☐ MSO (Two or more Cable TV Systems)
014 ☐ MSO Headquarters
015 ☐ Affiliated System
021 ☐ Cable TV Contractor
022 ☐ Cable TV Program Network
023 ☐ SMATV or DBS Operator
024 ☐ MDS STV, or LPTV Operator
050 ☐ Microwave or Telephone Company
061 ☐ Commercial Television Broadcaster
040 ☐ Cable TV Component Manufacturer
030 ☐ Cable TV Investor
091 ☐ Financial Institution, Broker or Consultant
092 ☐ Law Firm or Government Agency
100 ☐ Program Producer or Distributor
101 ☐ Advertising Agency
070 ☐ Educational TV Station, School or Library
200 ☐ Other _____

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CLASH IN PALM SPRINGS PITS OPS, BROADCASTERS

Cable operators confused about statements attributed to broadcast group leader.

Statements made by a California Broadcasters Association official attacking Palm Springs, Calif., cable operators have left cable officials perplexed and grappling for answers.

Jim Gabbert, president of the California Broadcasters Association, accused area cable operators of predatory practices during his testimony to the FCC during its first field hearing on Feb. 12 and again at the recent gathering of the Cable Television Public Affairs Association.

Gabbert told the FCC commissioners that, "... local station KESQ-TV has enjoyed better cable channel placement than its assigned over-the-air frequency. The threat of being moved or dropped has intimidated the manager from criticizing the cable systems on issues of concern to the community, or from competing with the cable systems for local retail sales dollars."

Yet KESQ station manager **Scott Vaughn** told *Cable tv Business* that Gabbert has "misrepresented" the situation. "The relationship between the station and all the cable operators is wonderful and KESQ's position has been misrepresented. We enjoy favored channel placement and a cooperative demeanor with the cable operators."

KESQ, Channel 36, is an ABC affiliate, and is carried on Palmer CableVision (Palm Desert) and Warner Cable of Palm Springs on cable Channel 3 and on Desert Hot Springs CableVision on cable Channel 24. KMIR-TV Channel 42, the NBC affiliate, is carried on cable channels 6 and 26 respectively. It was moved from Channel 6 by Desert Hot Springs in June 1986.

Until contacted by *Cable tv Business,* the cable system managers said they had no inkling that their systems were being targeted as examples of monopolistic gatekeepers and anti-competitive villains. **Steve Merritt,** vice president and general manager of Palmer CableVision, was shocked. "We have just re-signed a voluntary agreement — one that's been in place since May 1, 1984 —that provides for simultaneous network program exclusivity/non-duplication." All three cable systems are signatories to that agreement.

He admitted that there has been some unhappiness regarding lack of syndex protection. The Los Angeles stations are excluded from the rules because they are significantly viewed and the amount of disruption to viewers would be profound. The three cable systems predate both local broadcasters and provided the Los Angeles broadcast signals when no television reception was available in the area.

"To be held up as an example of cable dominance makes no sense," said Merritt. "We were here first, when there was no TV at all; we've reached an agreement for carriage on low cable channels; and we distribute their signal to areas they'd never reach without us."

Mark Matthews, Warner's general manager, said, "I don't understand how we can be accused of intimidating anyone. I'm a good personal friend of Scott Vaughn's."

Even though Desert Hot Springs has placed the stations on higher channels than the other cable systems, the system has provided free converters for primary and additional outlets ensuring viewing parity with

USA IN DRUG FIGHT

USA Network president Kay Koplovitz with Jim Burke, chairman of the Media Partnership. USA Network will participate in the partnership's "Operation CableCares: A commitment to a Drug-Free USA" anti-drug campaign.

cable networks. Said general manager **Randy Dean,** "Tiering isn't an issue here. Subscribers can watch the local broadcasters on every television in their house."

"The only explanation I can offer (for Gabbert's remarks)," said Vaughn "is that a number of stations were surveyed by the CBA for its report and our input must have been confused with that of another station." Small consolation to the systems being painted by such a broad brush.

—Eileen Becker Salmas

One year ago
Bill Daniels, Tele-Communications Inc. president John Malone and Houston Astros owner Dr. John McMullen joined forces to operate a new regional sports outlet. The group purchased Home Sports Entertainment and its interest in Florida-based Sunshine Network.

Five years ago
The FCC voted not to impose must-carry of multichannel sound on cable operators, opting instead to continue monitoring the development of the technology.

10 years ago
New York Times Co. took an initial step into the cable industry with the announcement of plans to acquire two cable systems from a group of investors headed by Irving Kahn.

15 years ago
The NCTA's 24th annual convention had as its theme "Cable Upbeat '75."

20 years ago
The FCC was considering not allowing broadcasters or newspapers to own CATV systems in markets where they already operate.

25 years ago
The Florida District Court of Appeals affirmed a lower court ruling in a case favoring Florida Antennavision Inc. in a case against WJHG-TV-Channel 7.

—From the pages of **Cable tv Business**

SHOT AND GOAL!

SCA launches campaigns tied to Stanley Cup.

With an emphasis on its National Hockey League Stanley Cup coverage, SportsChannel America has launched its first major marketing and promotional campaign. The campaign is designed to focus on revenue opportunities available to cable operators via local ad sales.

There has been some concern at SCA that hockey may have been overemphasized in its marketing efforts and that other SCA programming needs to be promoted. But **Sharon Portin,** SCA affiliate sales and marketing vice president, says that while this campaign emphasizes SA's exclusive Stanley Cup offering, SCA will be running campaigns in the summer and the fall that will emphasize other programming.

"We view this as a kickoff for the entire year," Portin says. "We wanted to launch this with an exciting program." The first campaign will be conducted throughout SCA's Stanley Cup coverage in April May. It targets current and potential SCA affiliates with direct mail, trade and consumer print advertising and cross channel video promotions.

Key MSO and system contacts were sent special marketing kits that include a step-by-step local advertising sales guide, tune-in ads that can be customized and promotional radio scripts and 30- and 60-second local sale video "donuts" featuring "Great Moments in Hockey" promotions. Portin says SCA is offering "launch incentives" for prospective affiliates that could include special co-op support.

SCA's next campaigns are still in development, but the July and August campaign "may have something to do" with its pre-Olympics series, Portin says.

—Ronald Hawkins

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Programming

COMEDY'S NOTHING TO LAUGH AT, YET

HBO and MTV have some work to do to ameliorate their new comedy channels.

By Ronald Hawkins
New York Bureau Chief

Home Box Office has had at least a little egg on its face following the launch of the **Comedy Channel.** Now **MTV Network's Ha! The TV Comedy Network** can expect to receive the same treatment as it launches April 1. These companies take their comedy very seriously but, in the eyes of the viewers, it has been very sad so far.

The critical lambasting The Comedy Channel has taken prompted HBO chairman and chief executive officer **Michael Fuchs** to hold a rare meeting with trade reporters in New York. *New York* magazine's critique of The Comedy Channel was so vehement that it prompted Fuchs to write a letter to the magazine accusing the author of bias resulting from "personal and professional scars" left by his prior employment at **Time Inc.** Fuchs says that the author's pronouncement that The Comedy Channel was "dead on arrival is in my view grossly unfair."

There is certainly merit to what Fuchs says. A new service does need time to develop and work out the rough spots. But HBO is a victim of its own success. HBO's high quality in so many instances has caused many to expect The Comedy Channel to be much better than it is.

Fuchs recognizes that the channel is having difficulties, "some of them undoubtedly of our own doing." And, he says, The Comedy Channel will look very different a year from now.

And up the street from HBO, MTV has announced an initial schedule for Ha! that includes a lot of threadbare reruns and some original programming beginning only in its second month. MTV's usual innovative, attractive packaging is at work at Ha!, but, with a few exceptions, the programming lineup hardly sets the heart a flutter. Some of shows that this observer had hoped would get lost in a dusty vault are showing up on the Ha! schedule, including: "Rhoda," "Love American Style," "TV's Bloopers and Practical Jokes," "Car 54" (in a move from Nick-at-Nite) and "Phyllis."

Ha!'s plan to offer reruns of "Saturday Night Live" that have aired from 1980 through 1991 is attractive, but how many times can such heavily rerun classics from the 1950s and 1960s such as "Sgt. Bilko" and "Best of Groucho" draw an audience? We're about to find out. And while one might say I Love Lucy, that doesn't always apply to "The Lucy Show."

But Ha!, much like The Comedy Channel, is promising an evolution into more original programming. And some of those ideas do show the spark of imagination that has propelled many innovative and enjoyable hours of programming from the people at MTV.

It's going to take time and a lot of dollars before operators and subscribers can truly judge who is offering the more attractive programming. Here's hoping we see more pies in the face and less egg on the face in the near future.

REVIEW

"Reflections on the Silver Screen: Lauren Bacall"
American Movie Classics

In addition to suffering from the smug, star worshipper approach of host Richard Brown, there are a variety of

technical and content flaws in this installment of AMC's 50-part series. Despite Bacall's long, illustrious career, a considerable amount of time is spent carping about critics — one of New School professor Brown's pet peeves — and her years in the shadow of husband Humphrey Bogart. There are some interesting insights, however, and Brown does have a way of getting the stars to talk to him, but rarely are the star's comments particularly enlightening. Nothing is mentioned about what Bacall is doing today (including a recent TNT movie) nor what she has done in recent years. And on the technical side, when Bacall talks about her experience in the first Cinemascope comedy, the show gives us a regular full-screen picture clip from the movie when a letterbox scene would have shown the difference in working in the Cinemascope wide-screen format. Finally, since AMC is a non-commercial network, why does it disrupt the flow of its original programming with promotional breaks? Give me a break and give this show 1 3/4 Golden Hawks out of four. Next air dates: April 15, 20 and 26.

NOTES

Completely reversing comments of a few weeks ago, **Turner Broadcasting System** officials announced that its **National Football League** package would appear on **Turner Network Television,** instead of **TBS superstation** as was previously announced. Readers of this column may remember that in the last edition, TBS sports programming vice president **Kevin O'Malley** told us that although TBS had the right to move the games to TNT when it reaches 50 million subscribers, Turner had "absolutely no intention" of making such a move. No one was available for comment at our deadline, but in a prepared statement, **Turner Entertainment Networks** president **Gerry Hogan** said, "This move is in the best interests of all concerned —the viewers, the NFL and Turner Broadcasting. It guarantees that all of us will get maximum benefit from this major addition to the company's programming." However, TNT has only 43 million subscribers compared to TBS superstation's more than 50 million.

Kudos to **Movietime** officials for their innovative way of introducing **E!Entertainment Television** as the new name of the programming service beginning June 1. Elvis Presley imitators delivered the word in song and verse to MSO officials and business reporters in seven cities. The interest had been stirred by a series of teasers including a rose from Elvis on Valentine's Day, follow-up telegrams and a picture postcard signed by the King. Only when Elvis appeared was the identity of the network revealed. Movietime officials say the new name stakes out broader territory for the network. The current name is unsuitable, they say, because many people confuse it with a movie service.

The **USA Network** and the **World League of American Football** have signed a four-year agreement to present regular season and post-season games. The league will debut in the spring of 1991. The multimillion dollar deal calls for USA to offer prime time coverage of the 12-week regular schedule and six afternoon specials from Europe. The cable network will also carry one playoff game in the first two seasons, as well as the league championship in 1992. ABC will carry the 1991 championship. The league will have teams in Europe, the United States, Mexico and Canada, and will have NFL contracted players, players just out of college and free agents. Players will be employed by the league, not by the individual teams.

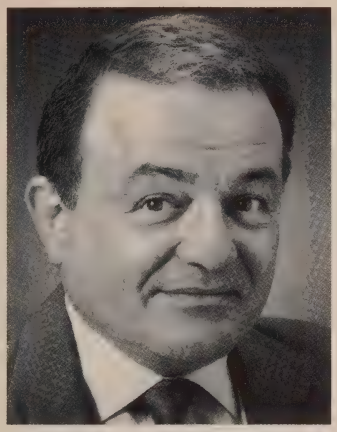
Viewer's Choice will be the exclusive pay per view network offering "Opportunity Knocks: Fighting Mad" on April 4. The card will feature four championship matches, chiefly secondary World Boxing Association titles such as the Michael Dokes vs. Donovan Ruddock fight for the WBA's intercontinental heavyweight championship. But the card will also include WBA world lightweight champion Edwin Rosario defending his belt.

Japan Satellite Broadcasting and **Reiss Media Enterprises** have announced that the name of its new pay TV joint venture will be WOWOW Programming Inc. The network will be called WOWOW, World Entertainment Station. It is scheduled to begin operation in March 1991 and will be the first DBS pay service in Japan.

HBO has filed suits against two New York City bars for the unauthorized public exhibition of HBO's February telecasts of the Mike Tyson - James (Buster) Douglas world championship boxing match. According to the HBO action, The Sporting Club intercepted the HBO satellite signal on Feb. 10 and videotaped HBO's live coverage of the fight, and then provided an unauthorized public exhibition of the videotape to its patrons.

C-SPAN's "C-SPAN in the Classroom" educators' program is available in more than 5,000 schools. Membership gives teachers access to a toll-free educators' hotline for the latest C-SPAN schedule, free lesson plans, and reduced rates on C-SPAN footage through Purdue University archives. Additionally, British House of Commons proceedings now air at 9 p.m. ET every Sunday night on C-SPAN. Commitment to a regular weekly time slot is a response to strong viewer interest in Question Time, which had been airing occasionally through the week.

The Comedy Channel announced a multifaceted promotional arrangement with a national network of comedy clubs linked by **Abram Inc. Communications,** publishers of *LaughTrack*. The magazine is distributed to more than 550,000 comedy club patrons every month.



Benjamin J. Sciortino
Senior Vice President
Multimedia Cablevision, Inc.

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SELLING ADS FAMILY CHANNEL

By Tamara Bennett
Managing Editor

Since 1987 the number of Family Channel affiliates selling local avails on the network has increased from 124 to 520. By the end of 1990, the number may well jump to 600. It is not dumb luck, a miracle or a full moon causing the shift, though. The increase in local advertising sales on The Family Channel is the result of a concerted, intensive effort by the network.

Spearheading the drive is Ralph Trentadue, who joined the network in 1987 with the specific task of getting more systems to insert ads during Family Channel programming. He came to the job with several years of experience in ad sales and cable, including four years as a system-level ad sales manager.

Family Channel was anxious to increase local ad sales for a fairly straightforward reason: If systems can make money selling ads on the network, operators will be inclined to carry it. Along a similar vein, the ability to sell ads on a network is further proof of its viability among viewers.

Prior to 1987, The Family Channel was not a popular network for local sales for a number of reasons, not the least of which was its perceived religious affiliation. Despite its high ratings, says Trentadue, "during the biblical times of CBN, the network was looked upon as a religious channel."

"Family Channel was anxious to increase local ad sales for a fairly straightforward reason."

Shedding the religious overtone has been of principal concern to the network in recent years. Not only did the net change its name in a series of steps — from the Christian Broadcasting Network to CBN to CBN The Family Channel to The Family Channel — it has a whole new look, logo and programming. Additionally, there is an entirely new ownership structure. Earlier this year, Family Channel was sold by Christian Broadcasting Network to International Family Entertainment Network, a new corporation owned by present management and Tele-Communications Inc. unit TCI Development Corp.

CHANGES HELP

All of the changes have helped make Trentadue's job easier, he says. Even though there are still a few people concerned about the network's religious past, Trentadue says most systems are receptive to the idea of selling The Family Channel. In fact, he says, usually the reason systems are not already selling the network is they do not realize there is opportunity.

And, opportunity does abound on The Family Channel. In 1987 the net upped its 60-second local avails from 120 a week to 336. The avails are offered at 15 minutes and 45 minutes past each hour. "This positioning," says Trentadue, "helps the local ad sales reps because at those positions viewers are less likely to zap."

Trentadue adds that it is not necessarily unusual for a network to offer such appealing avail slots. But,

Mike Meleski

Trentadur: Local ad sales warrior.

THE WAY

How do you encourage cable operators to sell local time on your network? Ask Ralph Trentadue.

he admits, most networks tend to position the local ads at times convenient for themselves.

But, the attractive avail slots are not Trentadue's biggest selling point when he is trying to convince a system to insert ads. He says his most effective tool is the programming on The Family Channel, particularly the shows the network produces itself, like "Bordertown," "Zorro," and "Rin Tin Tin."

Linda McMahon, senior account executive with KBLTV, a local ad sales company for the 300,000-subscriber Paragon Cable system in San Antonio, Texas, agrees that the original shows, such as "Zorro" and "Bordertown," are big draws for her sales team. She adds that The Family Channel offers programming not available elsewhere; moreover, there is no sex, violence or offensive language, which creates an environment attractive to advertisers.

Says Paul Gordon, director of advertising for the Gainesville-Ocala Interconnect in Florida, The Family Channel is a good sell. Of the 13 networks Gordon sells, he says Family Channel rates fifth or sixth, usually competing with Lifetime and TNN for the number five slot. Weekends, when westerns dominate the programming lineup, are the best sell, says Gordon, because there is a

"'Batman' has also been a good sell. The half-hour cult favorite was sold out."

Family Channel Ratings

Thus far in 1990, The Family Channel's original programming has boasted solid ratings.

Friday	Ratings
"Zorro" (6 p.m.)	1.3
"Rin Tin Tin" (6:30 p.m.)	1.1
"Zorro" (11 p.m.)	0.7
"Bordertown" (11:30 p.m.)	0.8
Saturdays	
"Bordertown" (6 p.m.)	2.1
"Zorro" (6:30 p.m.)	1.8
"Rin Tin Tin" (7 p.m.)	1.7
"T and T" (7:30 p.m.)	1.4
Sundays	
"Bordertown" (6 p.m.)	2.0
"Zorro" (6:30 p.m.)	1.9
"Rin Tin Tin" (7 p.m.)	1.3
"T and T" (7:30 p.m.)	1.1

Source: Paul Kagan Associates

predominantly male audience. The show "Batman" has also been a good sell, says Gordon, adding that during the last third quarter, the half-hour cult favorite was sold out.

Family Channel's conscious effort to distance itself from its religious underpinnings has made a big difference for the network, he notes. The most recent name change, when the CBN acronym was dropped, was particularly helpful for sales.

As Trentadue makes his push in 1990 to add even more systems to the local sales roster, he says he will rely on Family Channel's affiliate sales staff to lead him to systems that may be interested in selling local ads. Depending on the size of the system, he either will visit it personally, or at least make a call.

When the network kicked off its campaign to boost local sales, small-and mid-size systems, which can make decisions and move more quickly, were the first to take the bait. Now the network is luring in the larger systems, such as those in Chicago; Nashville, Tenn.; and Washington, D.C.

By adding larger systems, the universe of subscribers seeing local ads on Family Channel should increase significantly in 1990. Currently, 35 percent of TFC's 50 million subscribers see local ads; by the end of the year, Trentadue says, he would like to see 50 percent of the net's sub base have access to local spots.

THE 'CORE'

Even if Trentadue is successful in reaching his 50 percent goal, Family Channel still will be behind the "core four" networks systems are most likely to concentrate on selling: MTV, CNN, USA Network and ESPN. Their local ad sales numbers run in the neighborhood of 75 percent of their subscriber bases. In fact, the only systems not selling these networks tend to be those without ad insertion capability.

Indeed, local ads on CNN reach 80 percent of its 50 million subscribers, according to Valerie Newcomb, marketing manager. What's more, 98 percent of those systems that boast ad-insertion capability are selling CNN. So, unlike Family Channel, CNN has no need for a dedicated effort to boost local ad sales. Instead, the focus is on maintenance efforts.

The all-news network sends its affiliates monthly ad sales resource literature and statistics. Additionally, CNN uses local ad sales opportunities to cross-promote Headline News and TBS. Systems that carry all three of these networks get an additional minute of local ad avails per hour at 28 minutes past. Systems with only CNN get two minutes per hour at 56 minutes past.

"As Trentadue tries to build TFC's local ad sales...he is finding financial considerations to be his biggest obstacle."

USA Network also offers two minutes per hour, but they are not at a fixed time. Diane Weingart, vice president of affiliate marketing, says USA's avail times are based on natural breaks in the programming.

Local ads on USA reach about 75 percent of its 52 million viewers, says Weingart. As with CNN, there is no concern about increasing the number. "We are pretty well penetrated on that front," says Weingart. So, the attention is on monthly support materials.

Support materials, as well as sales seminars, also are the focus at ESPN, which has 55.9 million subs. According to a spokesperson at the network, local ads reach about 75 percent of that audience. ESPN offers a 60-second spot each half-hour.

THE BUCKS

As Trentadue tries to build TFC's local ad sales to the levels enjoyed by ESPN, CNN and USA, he is finding financial considerations to be his biggest obstacle. It can cost a system from $10,000 to $12,000 to purchase the equipment necessary to get TFC online. But, as Trentadue points out, it is a one-time cost that should pay for itself.

Once operators begin inserting ads on The Family Channel, they tend to be successful selling it, says Trentadue. Those systems who are not successful, he adds, usually are not giving it enough attention. He notes that, just as viewers watch only six or seven favorite channels, salespeople often only concentrate on three or four favorite networks. In some cases, Trentadue says he has gone out on the street with local salespeople to show them how easy it is to sell the channel.

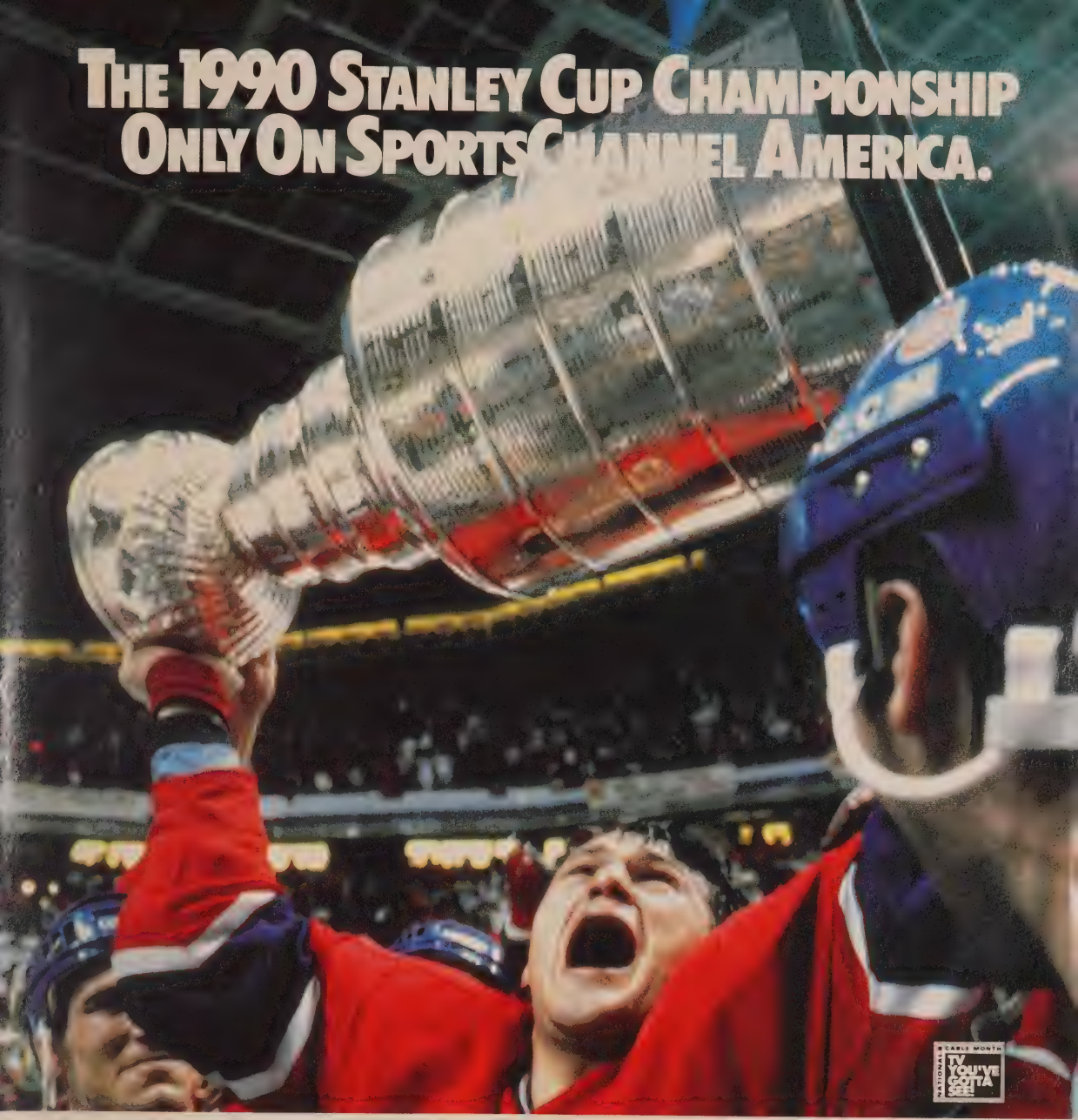
To support the local sales efforts, Family Channel provides systems with materials, including a Claritas report, which includes demographic and geographic data for specific areas.

Family Channel is popular in most demographic groups, but is most popular among people aged 25 to 54, says Trentadue. And, while the network used to have a stronger following in the Bible Belt region of the country, it has been successful in permeating most all areas.

The network attracts the same local advertisers found on broadcast and radio stations. They include local car dealers, clothing stores, shopping centers and fast food restaurants. In general, products and services that apply to any aspect of the family would be a good fit on The Family Channel, says Trentadue.

Clearly, even as Trentadue successfully markets The Family Channel as a local ad sales source, challenges remain. But there is little question that the network has already staked a solid beginning. ■

THE 1990 STANLEY CUP CHAMPIONSHIP ONLY ON SPORTSCHANNEL AMERICA.



SportsChannel America is offering you the chance to bring the only major sports championship available on cable-TV to your market. From the first faceoff to the final overtime, your subscribers will receive complete coverage of the Stanley Cup Championship.

SportsChannel America offers "TV You've Gotta See" during National Cable Month with the Stanley Cup Championship and throughout the year with a wide variety of premier sporting events (over 80% live), 7 days a week. All of this adds up to a lucrative advertising sales opportunity. SportsChannel America gives you a full 4 minutes of local prime time ad avails per hour plus a unique package of local promotions designed for your market.

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STANLEY CUP CHAMPIONSHIP
1990
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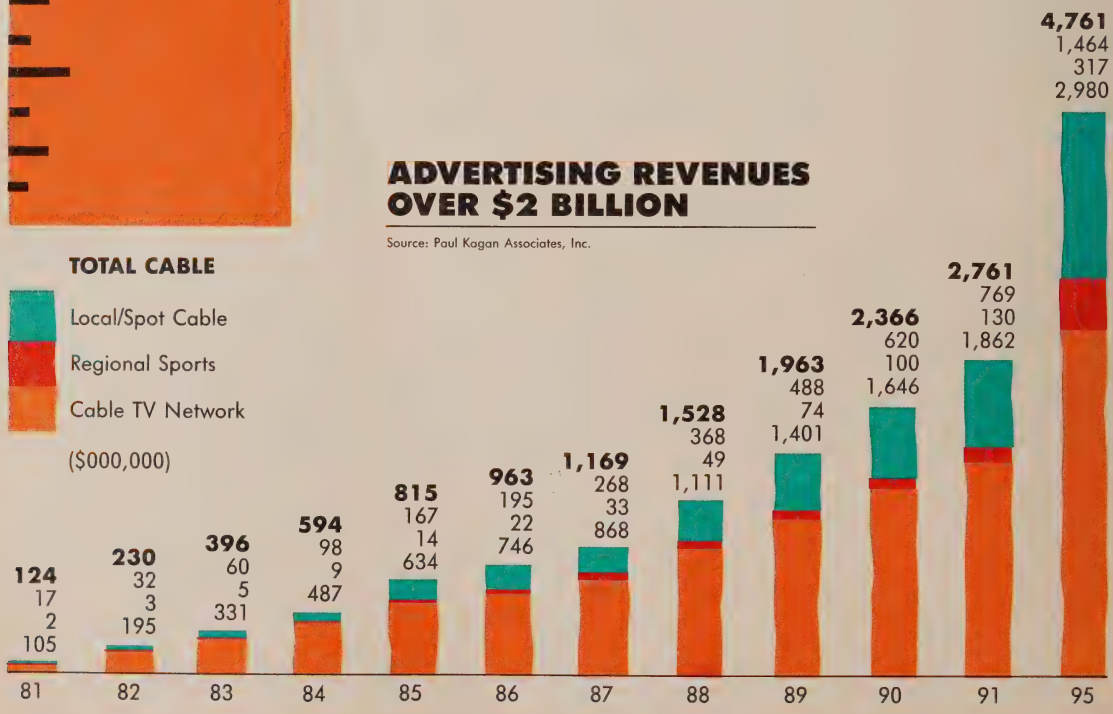
SPORTSCHANNEL AMERICA. WITHOUT IT, YOU'RE MISSING HALF THE GAME.

Circle 7 on page 11.

MEASURING AUDIENCES IN THE '90s

Not too long ago, cable networks said they didn't care about ratings. Today, it's a different story.



By Ronald Hawkins
New York Bureau Chief

The days when cable was too hip to care about ratings are long past. Now it's a race to see which network can come up with the latest twist on audience research that shows its audience in the most attractive light.

And while some programmers are still battling to get Nielsen Media Research to make some changes in its operations, there is practically universal agreement that the Nielsen research is essential to their business. As Cabletelevision Advertising Bureau research vice president Jonathan Simms says, the research data is "extremely" crucial.

Today, Nielsen has audience-measurement contracts in place with most of the major networks, including Arts & Entertainment Network, Black Entertainment Television, Cable News Network, Cinemax, the Discovery Channel, ESPN, the Family Channel, Financial News Network, Headline News, Home Box Office, Lifetime, The Movie Channel, MTV, Nickelodeon/Nick-at-Nite, The Nashville Network, Showtime, TBS superstation, Turner Network Television, The Weather Channel, USA Network and VH-1. CNBC, meanwhile, is currently negotiating a contract with the ratings firm.

Nielsen is also the chief source for measuring cable penetration and viewership. Nielsen reports that as of February, cable penetration of U.S. households was 57.8 percent, meaning that 53,238,990 households subscribed to cable television. Finally, Nielsen statistics are also the chief basis for CAB and programmer claims about the waning broadcast network viewing shares and the rise in basic viewership.

THE BEGINNING

The long-term cable programmer trend toward ratings reliance began in February 1981. That is when WTBS began to receive regular ratings from Nielsen, becoming the first basic cable network to receive more than sweeps data. The sweeps information was collected over four weeks, four times per year and was generally a trigger for the networks, their affiliates and independents to offer their most popular programming.

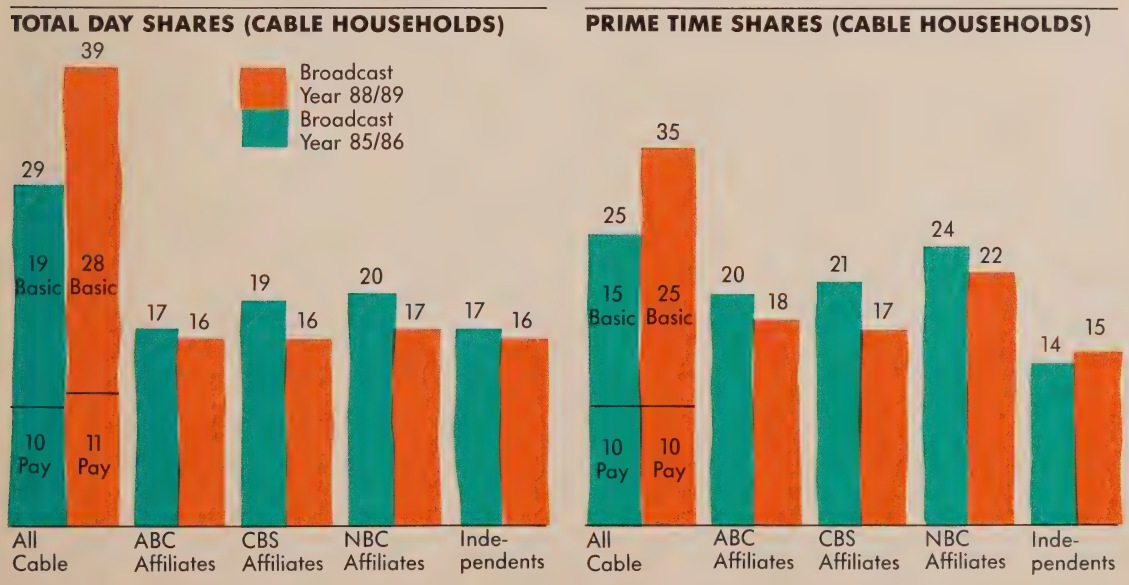
Robert Sieber, TBS vice president of research, says, "We knew the (sweeps) diaries were only picking up half the viewing. We needed a better form of measurement; we needed something that would have credibility." Nielsen and Turner compromised on the Nielsen requirement that a network have a national household penetration rate of 30 percent, halving that number to 15 percent.

While the ratings and demographic data were needed to attract advertising dollars, the numbers were also needed for programming purposes, Sieber says. The data permitted Turner to demonstrate that its audience size was twice what was previously documented. As a result, the network was able to double its advertising rates. That money in turn was poured into programming that research reflected viewers wanted to see.

USA Network research vice president Barry Cook says audience research numbers can't be taken too seriously in advertising sales. The relationship is not as close with programming, Cook says, but the bigger the audience a program attracts, the more the network can offer to advertisers.

At The Discovery Channel, research vice president Daniel Fischer, a former Nielsen Home Video Index manager, says, "It's (Discovery's) number one research source ... Nielsen accounts for three-quarters of our resources through the fact it is the standard, the only source for detailed audience information on a continuous basis. It is the standard for ad agencies."

CABLE SHARES GROWING RAPIDLY



With the introduction of the people meter in 1987, cable now is able to obtain "a good measurement of their audience," Cook says. "The problem with the old diary methodology was it wasn't a good way to measure audiences in a multiple channel environment. The key is that cable is viewed in a multichannel environment." A diary, Cook says, couldn't reflect that.

The people meter provides tuning and audience composition information. Viewers must press buttons to record viewership information and that demographic data can be provided to clients daily by Nielsen.

While the Nielsen numbers are of particular importance to the ad-supported basic networks, even pay giant Home Box Office finds the ratings vital. HBO research vice president Bob Maxwell says the rating "is an indication of consumer satisfaction." HBO has been pleased that in a highly competitive environment, it has been able to consistently maintain a 13 prime time rating in HBO households.

But the cable and broadcast industries, although generally pleased, aren't entirely satisfied with the job Nielsen has done. Cook, who served as chairman of the Committee on National Television Measurement (CONTAM) before moving from NBC to USA, said his group determined that while Nielsen is "basically the right system, it can be improved."

ENTER METERS

There is "a great deal of evidence" that shows the people meter numbers understate viewing among young adults, Cook says. The required pushing of buttons creates fatigue even among the under-50 adults during the two years a meter is installed in a viewer's home. "It's work they have to do every time they watch TV. Button pushing among adults declined in the second year over the first. The 50-plus adults push about the same the second year. The younger people who may be busier and have kids to look after don't push buttons as often as they should." Cook says the problem is solvable, particularly if Nielsen shortens the two-year term or makes other changes.

SHORTER TERMS

Nielsen Media Research marketing vice president Susan Whiting says Nielsen reduced the term of service for Nielsen households from five years to two years when the people meters were introduced. "We would have to do a lot more research" before changing the service term again, she says.

"We needed a better form of measurement; we needed something that would have credibility."

Meanwhile, although measurement of children's viewing was not a major focus of the CONTAM study, the group did find "an indication that children resisted" pressing people meter buttons and parents didn't push them to press the buttons. "Almost every method works better with adults than children," Cook says.

The CAB's Simms says that while he believes the people meters are "fairly accurate," he adds that there have been concerns expressed by MTV and others regarding whether viewing by children is adequately measured. "There has been an acknowledgment by all parties that there is room for improvement."

Marshall Cohen, MTV Networks corporate affairs and communications executive vice president, says people meter-measured viewing of Nickelodeon and MTV may be understated by 20 to 25 percent, based on telephone coincidentals MTV conducts. If those additional viewers were measured, it could produce a 20 percent increase in ad revenues for the networks. "The people meter does what it is supposed to do. The problem is with the demographic we have networks for: children and young adults."

The people meter is an improvement over the diary method of recording viewer demographics, but it "is a system with prejudices against children and young adults," Cohen says. There is no way around the problem currently, but he says the passive people meter, which records the presence of people in a room, will be an improvement. He says he hopes the passive meter is only "a couple of years" away.

"MTV's teens are the hardest hit," Cohen says. "They tend to be rebellious" and object to pushing buttons. Children are the next hardest hit category, a demographic that MTV's Nickelodeon caters to.

Whiting says Nielsen wouldn't make changes in the way children are measured "without contacting all of our clients." She says that the CONTAM study raises a number of issues, but that Nielsen's ideas "are slightly different."

MAKING CHANGES

Although Nielsen is preparing to make available Cable National Audience Demographics soon and its sister company Donnelly Marketing is revising Cable Conquest (see sidebar page 26.), some of the Nielsen cable network clients would like to see additional changes by Nielsen. These changes include further improvements in Nielsen's data delivery, an area in which observers say Nielsen is steadily improving. One cable network executive says his network is "drowning in a sea of information," comparing the situation to Mickey Mouse as the sorcerer's apprentice in *Fantasia*.

Discovery Channel's Fischer says Nielsen faces a challenge in finding a way to make the vast data it produces relevant to its customers. "Only now are they beginning to aggressively deliver in PC form," he says.

Despite reservations about some of

ARBITRON STILL FIGHTING

Arbitron Ratings is making a variety of audience measurement tools available to cable operators and programmers, while fighting to get out of the shadow of giant Nielsen Media Research. It is also facing some skepticism from the cable industry about its plans for its ambitious ScanAmerica service as it expands beyond its market in Denver.

Among the services Arbitron offers the cable industry are these reports: Cable Target Aid, U.S. AID, Cable Impact Report, Telephone Coincidental Survey, ADI Viewing Allocation Report, County Coverage, ADI Market Guide, Spot Television Market Profile, Cable Television Networks and Market Manager.

Bob Marquard, national manger of local cable services for Arbitron, says his number one product is Cable Target Aid, a microcomputer and software system that allows cable systems to take the rating data for its market and break it down into the area it services and programming it offers. Marquard says the product has only been offered for a few months.

Marquard says he is looking to cable for "real input for what they're looking for." He says Arbitron has already made sales of Cable Target Aid to American Television & Communications Corp., Continental Cable and Tele-Communications Inc. A secondary offering is the Cable Impact Report, a hard copy report that calculates the total reach of a programmer's schedule.

The ScanAmerica system is being used in 600 households in Denver and uses electronic technology to measure individual TV viewing and household product purchases. The ScanAmerica people meter gathers detailed information regarding the channel being watched, time and length of viewing, age and sex of each viewer and use of VCRs and other devices with the TV set. A data scan wand registers products brought into the household by interfacing with UPC symbols.

Arbitron's plans call for ScanAmerica to be in 1,000 households nationally by the fall with 200 households each in five markets. By the end of 1993, ScanAmerica is slated to be in 5,000 households. By then, Arbitron will use its people meters and scanner wands to deliver estimates of viewing and products purchases in at least 20 top local markets.

However, some cable executives are skeptical about ScanAmerica's long term future. One said, "I can't see it becoming a serious competitor to Nielsen. It might become a second source. I don't know what, for example, CBS pays, but I can't see them having another $3 million or $4 million (available) for another service."

But Arbitron officials say there is a definite need for ScanAmerica. They say it is the first system designed to collect on-going information about what a household buys from a projectable sample and that the system will offer detailed viewership demographic data continuously, making it a single source point for purchasing and viewing information.

—Ronald Hawkins

Nielsen's practices, the CAB and programmers are hardly shy about using Nielsen data. In fact, there is practically a competition to see who can come up with the most creative interpretation of the data. But Nielsen doesn't stand idly by. The firm has specific standards concerning how clients use its information.

Whiting says that all Nielsen reports carry guidelines about how to use them. "There are clear guidelines that when they combine data they need at least a certain number of households minimum. We are monitoring the use."

The CAB, for example, uses Nielsen to show deterioration of the broadcast networks' viewing shares. Simms says the loss of the networks' share hasn't slowed. The numbers for the fourth quarter in all households show a 24-hour Monday through Sunday drop from 42.1 rating and a 69 share in 1988 to a 40.4 rating and a 67 share in the same quarter in 1989. In cable households, the drop was from 16.9 and 52 to 16.1 and 50, while in pay households the drop was from 16.6 and 48 to 16.2 and 46. In prime time in all households, the network affiliates dropped from 42.1 and 69 to 40.4 and 67.

At the same time in all TV households, basic cable network viewing increased from a 8.8 rating and 14 share to a 9.9 and 17. Pay services dropped from 3.7 and 6 to 3.2 and 5. In cable households, the basics increased from a 14.9 and 23 to a 16.4 and 26, while pay viewership dropped.

CAB's USE

The CAB taps Nielsen penetration numbers, viewing shares and audience demographics to boost cable's ad revenues beyond the $2.36 billion in 1989 revenues. Simms says even a seemingly small ratings increase from a 0.7 to a 0.9 can substantially increase revenues because such a 0.2 increase can represent 200,000 homes. "It's not just small decimals."

Cable programmers, meanwhile, are making a variety of uses of demographic and ratings data. Here are some examples:

- At the Arts & Entertainment Network, Gary Loeffler, director of research, emphasizes the demographic targets of A&E. "We're extremely aware that we're dealing with 24-54 year-old adults with incomes of $50,000 or more. Each of our four genres is targeted to a specific demographic." The demographics are remaining steady, but A&E has increased its prime time rating from a 0.9 to a 1.2.
- The Discovery Channel, Fischer says, is interested in ratings, but sometimes a lesser viewed program may have more value to the network because of the audience it reaches. As a generality, Fischer says, "We have science programming that has ratings that may be lower than average. However, the demographic target is above average." Discovery had its highest rating ever in February with a 1.0 prime time average — a 25 percent increase over the previous

WHAT'S NEW FROM NIELSEN

Nielsen Media Research will release in April a product cable programmers have been wanting for years, while a co-venture with its sister company Donnelly Marketing may be upgraded.

The Cable National Audience Demographics program that Nielsen was scheduled to show to programmers in late March is designed for use in evaluating viewing by specific demographics, says Nielsen Media Research marketing vice president Susan Whiting. CNAD provides profiles of viewers in the samples including information such as county size, market and market breaks, cable and pay cable status, and income. The report will be issued quarterly and the first report will cover the last quarter of 1989.

Whiting says, "If you're selling advertising, the Cable NAD report is very, very important." A similar report has been available for broadcasters for years.

Cable programmers say they've been lobbying Nielsen to introduce CNAD for years. Rick Busciglio, marketing vice president for The Family Channel, says CNAD will standardize data based on the broadcast standard while making "it easier for advertisers to buy cable." USA Network research vice president Barry Cook says, "CNAD is something USA has asked for for a number of years. We're delighted. The national audience demographics will allow media buyers to look at all cable as it looks at broadcast TV and judge the performance on exactly the same criteria."

Cable Conquest, a joint venture of Donnelly Marketing and Nielsen Information Services., is a PC-based work station that allows access to demographic data derived from census and Simmons MRI information. Conquest doesn't include viewing data, but an analysis is underway to see that information should be added, Whiting says. Programmers say such an upgrade would be a valuable addition.

Conquest has primarily local applications. The program allows local cable operators to collate specific data about its service area and businesses that are in their communities. "Initially it was used for marketing, but now we see where it could be helpful for ad sales." Conquest has been in the marketplace for about 18 months.

ESPN research vice president Dana Redman says Cable Conquest is a concept he's been pushing Nielsen "to move along. It would have a data base for every county in the U.S., classified from very upscale to very poor." By combining viewing data with geographic-demographic data, advertisers would be able to see a lot more than just how "SportsCenter" plays in Peoria.

Nielsen also has other products available for the local cable market. Erichson says that Nielsen sells overnight ratings, network breakdowns and standard local information in metered markets. In other markets, Nielsen offers diary data collected during the four sweeps periods and telephone coincidentals. Nielsen has also been offering the Cable Audience Profile for four years to cable systems and interconnects. The CAP uses local diaries and national people meter samples and compares local viewing with national averages.

Says Turner Broadcasting research vice president Robert Sieber of the expanded variety of research product: "This is good news. We're beginning to get the tools we need. I constantly lobby for better programming tools."

—Ronald Hawkins

February — and a 0.5 total day rating. Discovery has more than 49 million subs.

- ESPN research vice president Dana Redman says the sports network's ratings have been pretty consistent over the years, but 1989's prime time average of 2.0 was its highest ever. ESPN set cable ratings records with its NFL package. ESPN has done equally well among 18-to-34-years-olds, 18-to-49-year-olds and 25 to 54-year-olds, the three key adult target groups.
- The Family Channel's audience has been growing younger as it does more original programming such as "Zorro," says Rick Busciglio, marketing vice president for The Family Channel. The high ratings drawn by "Batman" last summer also boosted that audience. In December, Family averaged a 0.8 rating each day. But Busciglio says the number he is "most excited about" is the number of viewers who watch the network each month. According to Busciglio, about 63 percent of TFC's 50 million subscriber base tune in at least once. Family's prime targets are suburban households with $35,000 or more annual income.
- HBO's recent live airing of the Buster Douglas upset over Mike Tyson earned a 31.1 rating and 45 share in HBO's universe, continuing the high ratings heavyweight championship fights have received on HBO. Despite the fourth quarter drop in pay viewing, Maxwell says HBO viewing has remained relatively stable. "Our ultimate indicator is sales, installs and disconnects," but adds that "everyone" wants HBO's high demographics.
- Turner Broadcasting System research vice president Robert Sieber says 20 million American households tuned in to CNN the day the United States invaded Panama. Sieber says broadcast networks charge advertisers three times what cable networks charge per subscriber and he wants to see that gap closed by the use of demographic data.
- The USA Network recently set a cable record for highest rating for an original cable movie when "The China Lake Murders" went up against the appearance of President Bush on all the broadcast networks and CNN. For February, the network's 24-hour rating in its universe was 1.3 and its prime time rating was 2.4. "Our strategy is not to target any demographic, but put forward a portfolio that will bring in a variety of demographics. A movie with an 8.4 rating is a whole lot better than a 2.0 with a great demographic."

With all of these numbers at programmers' disposal, programmers hope to make advertisers see the dollars and sense of advertising on cable. ■

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PROMOTION DATEBOOK

Affiliate promotion is a critical element in boosting thevalue of cable programming. Networks spend millions of dollars each year planning affiliate promotions geared to raise subscriber awareness. To that end, *Cable tv Business* presents Promotion Datebook, a monthly update of the affiliate promotions planned during the next two to three months. To be listed in Promotion Datebook, please contact *Cable tv Business,* 6300S. Syracuse Way, Suite 650, Englewood, Colo. 80111, or call (303)220-0600.

ARTS & ENTERTAINMENT: Available through Mark Mersky at (212) 210-0532, A&E's local ad sales support program includes: kits, research data, and sales, promotion and support materials.

AMERICAN MOVIE CLASSICS: April 1 is the launch date for AMC's Community Classics promotion — a program of classic movies and educational materials available to cable operators as a community relations tool. Three separate marketing programs target seniors, adults and children. Included are copies of films on VHS or 35mm, promotional materials, sample press releases and a suggested community relations plan.

BRAVO: Bravo for Books National High School Theater Competition continues through May 31. Schools are encouraged to submit video tapes of their drama department productions, and $2,500 awards will be given to three schools. Segments from the winning productions will be aired. PSAs featuring Barbara Bush, Tony Randall, Charles Champlin and Maurice Sendak are available to operators. Additional support materials available for schools and affiliates. (516) 364-2222.

CNBC: The network is supporting National Consumers Week, April 22-28, with several promotions. Programming will include a consumerthon evening with appearances by Ralph Nader, Betty Furness, David Horowitz and more. CNBC will provide affiliates with a booklet on how to conduct local promotions in conjunction with National Consumer Week. An affiliate incentive program is being used to encourage support and promotion of the event.

THE COMEDY CHANNEL: The Comedy Channel continues its exclusive arrangement with Laugh Track Entertainment's national network of 125 comedy clubs. These clubs maximize exposure by supporting new system launches, organizing special events and providing a national or regional presence for advertisers. "It Ain't Root Canal" promotion runs through April 23 and offers a $10,000 prize.

DISCOVERY CHANNEL: The Discovery Channel has launched its 1990 "Great Whale-Watch Expedition" campaign which includes 10 prizes of three-day whale-watch cruises off Cape Cod in August. In addition to on-air promotions, the sweepstakes is supported through material included in affiliate "Black Tide/The Blue Revolution" promo kits. Winners will be announced in May. Entries due by midnight, April 11.

DISNEY CHANNEL: The Disney Channel's April preview is April 26-29 for participating systems. Viewers who call to subscribe during the preview will receive a free Roger Rabbit watch — with coupon and proof of installation. Disney's National Cable Month Day is April 28.

E!ENTERTAINMENT TELEVISION (MOVIETIME): Network is relaunching June 1 as E!Entertainment Television. The network will have a new on-air look, expanded programming and completely new sales and marketing materials. Promotional kits will be available April 9 for the programmer's Summer Awareness Campaign, which features $125,000 in cash and prizes to affiliates who most frequently promote E! from June 1 to Aug. 31. A complete range of marketing materials will be available during April. For materials and information, call Mitch Berman (213) 960-5814 or Brad Fox (203) 249-3700.

ESPN: Major League Baseball on ESPN premieres —depending on negotiations between owners and players —and a complete promotional package is available to affiliates. The kit contains ad slicks and 30-second tune-in promos for customizing, 30- and 60-second radio spots,

slides and b/w prints, marketing and ad sales handbooks, monthly press releases for customizing, and order forms for outdoor billboards and seasonal major league baseball posters. Premium items are also available.

THE FAMILY CHANNEL: Operators are invited to send in bumpers from 5 to 15 seconds in length with viewers discussing why their father is the best father in the world, or telling a funny story about their dad. The bumpers will be used during the seven-hour "Father Still Knows Best" marathon scheduled to air Sunday, June 17, Father's Day. Bumpers will also air two weeks prior to the marathon in a series of promotional spots. Tapes due May 1. For promotional kits call (804) 523-7104.

FINANCIAL NEWS NETWORK: The "American Entrepreneur" crew is continuing its cross-country search for people who turned their ideas into successful businesses. The search is now moving up the East Coast, making 12 stops along the way. They will promote FNN, getting local press at each stop. Reports air in April and May at 7:30 p.m. EST, week nights.

HA! THE TV COMEDY NETWORK: Reflecting its April 1 debut, HA! marketing has developed premiums, launch kits, cross-channel tapes, and additional materials for all affiliate launches. Local promotions underway. For information, call (212) 713-6830. The network will officially launch at 7 p.m. EST on April 1 with a 24-hour schedule. Original programming will debut in May.

HOME BOX OFFICE: The HBO "Simply the Best" sweepstakes, highlighting the movie Ghostbusters II, will be available to all customer contact personnel on April 1. Entries are due May 8 for the May 15 drawing. Grand prize is a Magnavox camcorder, and 500 first prizes will be "Dancing Slimer" FM radios. Details on HBO's "Batman" sweepstakes coming in May. The network has developed a Community Relations Action Kit for cable operators detailing step-by-step implementation of Local Earth Day events and tied to the HBO exclusive the "Earthday Birthday," premiering April 22.

LEARNING CHANNEL: The network's National Cable Month Day is April 2 when five special programs will premiere. "Target Seniors" and "Target Parents and Students" campaigns continues using newspapers, bill stuffers, posters and outreach suggestions available from network. "GED On TV" campaign to help high school dropouts get an equivalency degree continues. Outreach materials are available to promote "Electronic Library," a two-hour program segment that is the focus of the Cable TV Alliance for Education. "Ride Safe and Love It," a bike safety program and promotion, is upcoming in May.

LIFETIME: April 6 is Lifetime's cable day for National Cable Month. In April, affiliate outreach kits will be available for a "Your Family Matters" special on breast cancer. Also available in April, tune-in movie kits for the July launch of the network's original movies. Cash kits for May will be available at CAB. Lifetime's "Thoroughly Modern Mom" sweepstakes will take place in May. A Lifetime program guide is now available monthly.

MIND EXTENSION UNIVERSITY: ME/U's Summer Semester 1990 begins registration in April for undergraduate, graduate and MBA courses for academic credit. Courses begin in May and include subject areas of business, mathematics, science, education, library science, language, humanities, social and political science, and courses in the MBA professional program from Colorado State University.

NICKELODEON/NICK-AT-NITE: The "Nickelodeon Safety Program" is designed to educate children on how to avoid the most common preventable accidents and what to do in case of an emergency. Promotional materials include posters, book covers and reflective stickers. "Nickelodeon's Total Trash Out," a turnkey promotion for affiliates, is designed to develop a recycling program for kids that addresses current legislation and environmental concerns.

NOSTALGIA CHANNEL: The spring promotion continues and April 6 is the deadline for ordering materials for the May launch of the Art Linkletter tour promotion. May public relations program includes AARP Convention promotion and results

of the network's market research study.

PREVUE GUIDE: Prevue's schedule will follow National Cable Month's lineup, which highlights a different network or group of networks each day during April. Network Spotlight segments will highlight each individual day's service or services. Prevue Tonight's two-minute segments will concentrate on Cable Month Programming and features.

REQUEST TELEVISION: Request will participate in Universal's Field of Dreams pay per view promotional campaign in support of the movie's showing on Request in April. Includes affiliate contest plus Field of Dreams baseball cards and T-shirts for local distribution. In recognition of National Cable Month, the network is initiating marathon movie-specific days and theme days and will experiment with variable pricing. Cable operators are encouraged to open their channel to all subscribers for one hour on Saturday, April 14, 6 p.m. to 7 p.m. EST., as Request will provide operators with a one-hour program promoting pay per view.

THE SCI-FI CHANNEL: The Sci-Fi Channel has opened an affiliate sales office in Los Angeles. A cable carriage campaign is underway. For affiliate information contact: Mitch Rubenstein at (407) 395-7001 or Jack Woodruff at (212) 632-3600.

SHOWTIME NETWORKS: Showtime/The Movie Channel fall campaign runs Oct. 1 to Nov. 30. Sign-up deadline is June 15. Materials are available for the following campaigns: upgrade and non-subscriber acquisition, The Movie Channel continuity marketing, TMC sampler, TMC interstitial promotion, launch support, retention. The bimonthly ad kit contains dates and times for Showtime and TMC satellite promotion feeds.

SPORTSCHANNEL AMERICA: A Stanley Cup promotion will include incentives for affiliates and prospective affiliates. Ad slicks, cross-channel promos and exciting local-ad-sales promotional tie-ins are available for use through May. The National Hockey League Championship is the only major sports championship available exclusively on cable. Sportschannel America's cable day is April 11 when an NHL double-header will be featured.

TNN: TNN is conducting three consumer contests in April: Alabama Surprise Sweepstakes; Texas Fishing Sweepstakes; and "Win with Sunkist" Sweepstakes. Call (203) 965-6000 for details. TNN's "StarCatcher," a mobile Ku-Band satellite uplink truck is touring the country visiting TNN affiliates and country music superstars performing in affiliate markets. Cable systems have the opportunity to tape on-location spots for local system promotions and to be involved in premium giveaways including concert tickets and passes to watch "StarCatcher" interviews.

TRAVEL CHANNEL: The "Moscow Meridian" Sweepstakes will result in the awarding of 10 trips to Russia — five to consumers and five to operators. Random drawings for the two- to three-week trips will take place in June for consumers and July for operators. A kit with order forms for local promotional materials has been distributed. On-air promotion of the sweepstakes will take place May 1-31.

TURNER CABLE NETWORKS: Turner Cable Network Sales has developed four turnkey promotional packages for systems to build local awareness of the 1990 Goodwill Games. These include: "Run for Goodwill," a 10K race in which winners will be eligible to compete in a cable-only half-marathon race in Seattle during the Games; "Hoops for Goodwill," a three-on-three basketball competition in which winning teams can compete in Seattle; "Bowl for Goodwill," bowling tournaments being held in more than 1,000 local Brunswick bowling centers nationwide; and "Get Fit for Goodwill," an elementary school fitness program tied into the national Presidential Fitness Challenge Awards program. Call (404) 827-1962 or (415) 495-0710 for details. A newly launched Frequent Promoter Program gives Turner network affiliates an opportunity to earn points toward valuable merchandise and chances to win all-expense-paid trips. Affiliates earn points each time they use Turner Affiliate Promotion materials for TBS SuperStation, CNN, Headline News, TNT and the Goodwill Games. For more information, call Turner Cable Network Sales in Atlanta at (404) 827-2089 or in San Francisco at (415) 495-0170.

TUXXEDO NETWORK: Tuxxedo guides are now available "system specific." Affiliates and new launches can order the bill-stuffer-sized guides printed in their specific time zone and listing only the film titles their system offers. System logos and PPV or subscription ordering information also included. July/August order deadline is April 23.

USA NETWORK: The network has launched 1990 Local Ad Sales Seminars. Topics include programming updates; use of research; packaging inventory; inventory management and control. Seminars will next be held April 12 in Hartford, Conn., and May 18 in Atlanta.

VH-1: The network has begun a 45-day countdown to Earth Day, April 22. The on-air countdown includes daily environmental tips and information. This will be followed by a special weekend of Earth Day programming. An affiliate marketing campaign assists operators in becoming part of Earth Day activities in their communities. Earth Day weekend will conclude with the launch of phase II of the VH-1 /Greenpeace "World Alert" campaign, a series of environmental messages that will air on VH-1 throughout 1990.

THE WEATHER CHANNEL: Affiliate campaign titled "Project: Environment" is keyed to April 22 when The Weather Channel will commemorate the 20th annual Earth Day with a special documentary, "Within Our Power." Materials for affiliates to promote environmental awareness at the community level include: a teacher guide; Community Connection, a newsletter with related promotional ideas; ad slicks; promo spots; and copy to program the local forecast crawl message.

WGN: United Video/WGN has inflatable and super-inflatable Bozos and Cubs available for local promotions. Also available: Cubs schedules, WGN bill-stuffers and ad slicks. (800) 331-4806.

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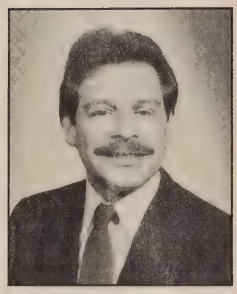
RENEWAL BLUES

There are traps for the unwary.

(Editor's note: Robert St. John Roper, a partner with the Washington, D.C., law firm of Cohn and Marks, writes a monthly column for **Cable tv Business** *that covers operational and legal aspects of the cable television industry.)*



By Robert St. John Roper

Among the important provisions of the Cable Communications Policy Act of 1984 is Section 546. It establishes both formal and informal procedures to be followed by the "franchising authority" and the cable operator in franchise renewals.

The informal procedures are straightforward: An operator may file a renewal proposal at any time, which the city may grant or deny at any time after the public has had an opportunity to comment on it. Engaging in these informal procedures, which almost always include some negotiations with the city over the renewal terms, does not prejudice the operator's right to seek the protections of Section 546's more formal procedures.

However, because the renewal protections afforded by the Cable Act are not mandatory unless the cable operator makes a request to initiate them, it is imperative that an incumbent cable operator always make a timely and explicit request for the city to commence the proceedings.

Unfortunately, the Cable Act does not clearly specify when the request must be made. Nor does it clearly specify what constitutes an adequate request by the operator. It provides only that, if requested by the operator, the city must commence the proceedings "during the six-month period which begins with the 36th month before the franchise expiration (sic)."

Two recent cases address these points. In *Triad CATV Inc. v. the City of Hastings,* the incumbent operator complained of the city's failure to provide the operator with the full-blown proceedings provided for in Section 546. The court found, however, that the Cable Act's formal renewal procedures had not been effectively invoked by the operator. The court concluded, first, that the city had not received the operator's renewal request until almost three weeks after the expiration of the 30th month prior to franchise expiration; and, second, that the notice was inadequate because it contained "no mention of a desire to invoke the Cable Act's renewal proceedings and does not request that any action be undertaken on the part of the City of Hastings."

The importance of timeliness is also emphasized in *Eastern Telecom Corp. v. Borough of East Conemaugh.* The cable operator had made a timely request for the initiation of formal proceedings. Yet, citing a provision of Section 546 that allows the city to establish a date by which the renewal proposal must be filed, the city refused to hold formal hearings and denied renewal. The city alleged that the operator had failed to file its proposal before a city-established deadline. The court concluded that the deadline was invalid because the city had failed to follow the formalities required by state law to establish the filing date. Moreover, the court held that the operator had not waived its right to formal renewal proceedings. What this case implies, however, is that even if a cable operator properly invokes the Cable Act's formal procedures, the operator can still forfeit those rights if it fails to comply with other procedural requirements.

The lessons to be learned from these two cases are:

- Always make a request *in writing* that the city initiate a Section 546 (a) "needs and performance" proceeding sufficiently before the expiration of the 30th month to allow the city time to "initiate" the proceeding. Optimally, the request should be made no later than the beginning of the 36th month before expiration of the franchise.

Moreover, it should always be made, even if the operator expects that the franchise will likely be renewed through informal negotiations under Section 546 (h) of the Cable Act. Making the request preserves your rights to the formal proceedings, if needed, and does not prejudice your engaging in informal renewal negotiations with the city.

- The request should be specific. It should state explicitly the operator's desire that the city initiate the proceedings contemplated by Section 546 (a). It should also request that the city undertake the informal negotiations authorized by Section 546 (h).
- Comply with any timetables or other procedural requirements established by the city for renewal. If you can't meet a date or comply with a procedural requirement, ask the city for an extension of time or a waiver of the rule. But, make sure any such extensions or waivers are granted with the same formalities that attended the establishment of the deadline or other requirement. For example, in the *Eastern Telecom* case, just as state law required the establishment of a filing date by resolution adopted by a majority of the borough council, it would have been advisable for the operator to ensure that any extensions of time were adopted by majority resolution. Section 546 of the Cable Act establishes some extremely important projections of what the court in *Eastern Telecom* called the operator's "expectation in renewal." It is crucial that they not be lost through inadvertence; without them, the expectation may remain unfulfilled.

Bravo, using the General Instrument VideoCipher Plus Technology, scrambled its signal April 1.

KBLCOM has purchased an LM-2100 photo advertising system from **Multi-Image Systems** to replace an already existing ad channel hardware and software at the KBLCOM installation in Garden Grove, Calif.

The Learning Channel and the **National Cable Television Cooperative** have completed a long-term master affiliation agreement covering participating NCTC member companies. The national cooperative will add as many as 650,000 TLC subscribers over a four year period.

Cox Cable Communications has purchased BA-6000 series addressable converters and an M3P addressable controller from **Pioneer Communications of America Inc.**

TKR Cable has purchased and installed a comprehensive telemarketing system with eight automated workstations from **Telesystems Source** of Cranford, N.J., in its Piscataway, N.J., telemarketing center.

TVC Inc. has reached an agreement in principle to acquire certain assets of **Donley International Inc.**

Prevue Guide Channel has finalized its syndex service option. The charge is $50 a month per channel, with a maximum of $150 per month.

Columbia International will distribute **Mizlou Communications Company's Sports News Network (SNN)** on its cable systems. Mizlou SNN has also agreed to sponsorship packages with Hilton Hotels and Ocean Spray.

Britannia Cablesystems has been awarded the cable TV franchise for the Portsmouth area of the United Kingdom. The franchise area includes some 200,000 homes.

Orchard Communications Inc. has moved to a new corporate location at 101 North Plains Industrial Road in Wallingford, Conn.

Vision Cable Television in Bergen, N.J., has moved CNBC, the Consumer News and Business Channel, to Channel 37. The switch will permit Vision to carry CNBC full time.

CNN recorded its highest monthly average household audiences in January, both for the 24 hour and 7 a.m.-1 a.m. ET time periods.

TCI Cablevision of Wyoming Inc. has begun a campaign to purchase and plant tree seedlings to help the recovery of the Wyoming National forests.

Comsat Cable Corp. and **Anixter Cable TV** announced the activation of the first fiber optic link in Mississippi. The rebuild reduced cascade length from 44 to 16 amplifiers.

Paragon Cable has increased basic rates to cable subscribers on its Portland, Ore., system. Effective April 1, the cost for basic cable service increased from $16.95 to $19.42

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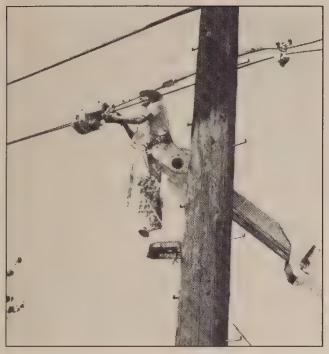
FIBER IN L.A.

Century Cable first to use fiber in the Southland.



In Los Angeles, Century technician installs fiber.

Century Cable Television became the first southern California cable operator to jump on the fiber bandwagon when it activated a 35-mile fiber link in February.

William J. Rosendahl, vice president of operations for the 150,000-subscriber system in Los Angeles, says the construction and activation of what is actually a fiber trunking system between headends went without a hitch.

Century tapped **Synchronous Communications Inc.** for the electronics and **Comm/Scope Inc.** for the fiber itself. The FM-based system replaced a microwave loop, and now permits Century to tie all of its L.A.-area systems together, including the Eastside, Westside and Valley systems. The link also interconnects other L.A. operations owned by **United Cable Television, Valley Cablevision** and **King Video** into a city-backed City Interconnect for Government Programming.

"Historically, we had one dish and a microwave link," Rosendahl says. Today, the system has four headends, three of which have their own satellite-receiving facilities. The fiber installation is the latest phase of a $50 million rebuild of Century's 1,700 miles of plant.

"We have already seen picture improvement," Rosendahl says. "In addition, we have much better reliability. The quality of the picture has improved system-wide."

Rosendahl says the fiber link proved its value when an outage hit the system's West Hollywood system. Fortunately for Century, the outage occurred at the same time the fiber link was being installed. The resultant outage was fixed within 10 minutes.

Dave Randolph, Century's regional director of engineering, says the trunking system is "running beautifully."

"We are very pleased with how it has performed."

Klein Tools, 7200 McCormick Blvd., Chicago, Ill., 60645-2791, offers a **kit** containing a handle assembly and 15 interchangeable sets of wire-stripping blades. It is designed to strip 18 to 32 A.W.G. solid or stranded wire. The kit also contains 18 tube guides, cleaning brush, blade push-out tool and user instructions. Action Card 249.

Viewsonics, 170 Eileen Way, Syosset, N.Y., 11791, announces **cable assemblies** with locking 'F' connectors for security in cable connections — against tampering with headend connections or converter theft. The cable assemblies are available in 3, 6 and 12 foot lengths. Action Card 248.

Electroline Equipment, 8750 8e Ave., Montreal, Quebec, Canada, H1Z 2W4, offers upgradeable, off-premise **addressable hardware.** It permits on-site interdiction of signal, controls on/off, one or two bands of channels, as well as six separate channels. Eighteen additional channels in control modules can be added six at a time. Action Card 247.

Leaming Industries, 15339 Barranca Parkway, Irvine, Calif., 92718, offers a **fixed frequency modulator,** model FMT411F, to its exisiting line of audio transmission equipment. Each FMT411F transmits one program audio channel on any specified frequency between 4.5 and 10 MHz, 55 and 88 MHz or 88 and 126 MHz. Action Card 246.

TRAFFIC JAM

Trying to design the proper ad traffic management system can be tricky. Here are a few tips to keep in mind.

By S. Michael Ross

When the concept of placing local advertising in cable networks became a reality, the struggle began to accurately define and refine the innovation's thorniest problem—traffic management. The primary difficulty in handling the problem: oversimplification.

Early proponents assumed that cable advertising would not differ greatly from broadcast advertising, which was essentially correct. Their perspective, however, did not include an important new ingredient without which cable ad sales would be neither practical nor profitable—automation. Automation sets the stage for every other aspect of successful cable ad sales management. And no one person in the total effort is more affected by it than the traffic manager.

Broadcast-oriented computerized traffic management systems have existed for years. In fact, since quite a number of PC-based software systems were available during the early days of cable advertising, it was natural for cable operators to examine existing software for fulfillment of their own traffic management needs. These packages, however, fell short in two critical cable-specific areas: managing multiple networks and communicating directly with insertion hardware. For software developers, the challenge of handling multiple network insertions was difficult but not insurmountable.

REAL PROBLEM

The real problem continues to lie in insertion hardware communication. In other words, the impressive range of hardware configurations required to conform to ad concepts an operator might devise creates a critical challenge.

Insertion hardware manufacturers—ranging from Channelmatic Inc. and Arvis to Ad Systems, Texscan MSI and Telecommunication Products Corp.—provide a universe of ad insertion choices with discrete levels of complexity. Often overlooked, however, is that each level has its own traffic management concept. Extreme flexibility on the part of both the traffic director and traffic management software is the current order of the day.

Although more than a dozen cable networks now regularly provide local avails, most operators concentrate on no more than five or six as part of their internal sales strategies. But even within these networks, ad avails vary

DEFINING THE TERMS

Cable ad insertion and traffic management functions boast their own nomenclature. A primer:

From most flexible to least, ad insertion equipment classifications are: full random, random sequential, random pod, and pod sequential. Each classification has its own subdivisions. These insertion classifications basically define the number of VCRs available to air ad copy per network service. Again, there are exceptions. In order to boost understanding, let's assume each piece of ad copy is 30 seconds long (one avail).

Additionally, the terms "reel" or "spot reel" describe the video tape cassette that contain the units of ad copy. Usually these cassettes are 45 or 60 minutes in length.

• Full Random: In this environment, more than one VCR is available so that two or more units of ad copy can be aired within a break. Existing manufacturers have different ideas as to workable architecture affecting VCRs shared among network services. Regardless, the intent is toward total random selection of ad copy for airing at any specific time.

There are variations. A system can assign one dedicated VCR for each avail provided by each network service.

Or, a system might assign more than one VCR per network service, but fewer VCRs than the number of avails provided by the service, thereby relying on the capability of the VCR that just concluded playing to locate a new position on the reel while another VCR is in the process of airing a spot. For example, two VCRs could air four selections of ad copy during a 120-second break, but only if the distance between selections on the reel is not great.

Another option is to assign a given number of VCRs for all network services combined. For instance, a particular VCR may air ad copy for CNN during one break and ESPN in the next. This approach can work or fail based on the break spacing between network services and the number of VCRs available.

• Random Sequential: Envision a reel of videotape 60 minutes long, with 100 units of 30-second ad copy evenly spaced. In a 60-second break, using only one VCR, two adjacent ads could be aired. The random factor involves the possibility that it might be ad #1 and #2, or #2 and #3. This, of course, assumes that no product conflict exists.

• Random Pod: This approach is similar to random sequential, but less flexible. Here, ad copy is placed on a reel in absolute pod units of varying length. For a 60-second break, a pod would consist of one or two units of ad copy matching in time to the duration of the break. The one-VCR random factor is in the ability to select different pods for each break that occurs. A variation is to use two VCRs if the network service provides breaks greater than 60 seconds.

• Pod Sequential: Here we have the most limited approach of all, using one VCR. As in the previous approach, pods of ad copy are placed linearly on the reel, in the break order as provided the network service. No random selection of pods is possible, due to the restricted intelligence of the insertion controller. For this configuration, predetermining the placement of ad copy within a break or program is simply not possible unless the traffic director is willing to restructure the reel pod configurations daily. It can be done with automated tape editing systems, which would be equivalent of a full random environment with only one VCR.

—S. Michael Ross

widely. The primary variations among the services usually involve the length of the break, and the time of the break within a fixed time or program interval. Breaks usually are no longer than 120 seconds, but some networks will combine breaks within the program day. Determining the time of each break forces traffic managers to face yet another subdivision among services, classified either as "roving" or "non-roving." To illustrate, sports-oriented services would be considered roving, because actual break times can not be determined. On the other hand, services such as CNN, MTV and USA Network are considered non-roving because breaks are scheduled precisely.

Along with periodic and total restructuring of break intervals and lengths, daily programming alterations also hinder determining accurately the amount and location of avail inventory. The level of flexibility required in traffic software to allow these variations is extremely high and not easily achieved. Nothing illustrates this periodic chaos better than ESPN's decision to provide 90-second breaks, rather than the usual 60-second avails, during its NIL coverage. In many systems, a third VCR was required to handle the third avail; thousands of dollars were spent to accommodate the alteration.

COPY SCHEDULING

After the traffic director has finally come to grips with current satellite service break configurations, the essential data can be entered into the computer. The next step: scheduling the ad copy to be aired. This is where cable traffic management takes a sharp left turn from broadcast for the reason previously stated—automation.

Once the available ad time inventory has been determined, it would seem that accurate scheduling of ad copy within the client's specifications would be elementary. No so. All aspects of scheduling now hinge on the type of insertion hardware and its flexibility. (See sidebar, page 39.)

Final decision factors entering into the use of insertion hardware schemes are numerous and complex. Practical considerations such as available capital, space limitations and labor requirements will, as a rule, force compromises to the original ad sales concept. Each compromise inevitably downgrades the cherished, restriction-free environment envisioned by the ad

sales manager, and places an additional burden on the traffic director and the software used. Defining the burden is simple. It is centered around the next scheduling process task: spot reel structuring.

Here again, several levels of complexity are possible, depending first on the hardware configuration (total number of VCRs); second, on the total number of different ad copy units to be aired (daily, weekly, etc.); and third, on the volume of change demanded by the ad clients. As a rule of thumb, it's safe to assume that the difficulty in spot reel structuring is inversely proportional to the number of VCRs available.

Because of the number of variables in spot reel structuring, the traffic computer is often not much use to the traffic director in resolving where ad copy ought to be located. In fact, the logical computer is content to schedule ad copy without regard even to the existence of spot reels. This is a solely human task, jointly undertaken by the traffic director and the editing staff.

In systems just starting their ad sales efforts, or where ad sales activity is relatively low, a single spot reel master will often suffice. New ad copy is periodically edited onto the master, and the master is dubbed to provide generic spot reels for each VCR. As activity climbs, however, space for additional ad copy eventually disappears, forcing a critical decision.

DECISION TIME

The only choice for systems that have only one VCR per network service is to increase the number of master spot reels (an increase of one for each network service used).

If full random insertion hardware is in place, two expansion choices are available. The first format, "network dependent," requires that the master be structured for each network service with the commensurate dubbing. The second, called "a-b reel," requires only two masters, used commonly across all network services involved.

The hardware's level of capability, along with the combination of spot reels placed into each available VCR, determines the scheduling procedure the traffic management software must use. The only possible exception: if the cable ad sales facility is wiling to recreate all used spot reels on a daily or semi-daily basis.

The time interval for which a software system will schedule ad copy varies among systems. It might be a day, a week, or longer, and each variation has inherent advantages and

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Circle 10 on page 11.

Cable TV Business

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disadvantages. Daily "reshuffling" of the schedule deck allows, as each new client order filters in, continuous prioritizing. In turn, this makes near-interval projections of remaining avail inventory somewhat haphazard. A chief consideration is that quite often clients will insist on knowing exactly when their ads will be aired.

Multiple units of ad copy airing concurrently for specific clients pose yet another problem. An inventory of thousands of avails is meaningless when the real limitation is usually the number of ad copy units that fit on one or several spot reel masters.

INSERTION TIPS

Let's now assume that all ad copy scheduling problems have been overcome. The next step in traffic management is to provide the schedule to the insertion hardware. Here, the traffic director moves into the unfamiliar, high-tech world of modems, software-driven switches, telephone-line quality, and the complex architecture of the insertion hardware necessary to execute such sophisticated functions.

Even beyond the difficulty of ad copy scheduling, the traffic director must provide discrete task instructions to the insertion hardware as well. When to start the advertising day, when to stop it, when to accept a new schedule, and when to return data as to what occurred—these are all necessary steps that the hardware cannot provide for itself.

Once instructions are provided, the hardware takes over, and the insertions are accomplished. Active responsibility now passes from the traffic director to whomever is overseeing the equipment at the headend.

The last step in traffic management actually occurs at the beginning of the director's work day, with the retrieval of data concerning the ads aired the day before. The retrieval process is much like that used to transmit schedules to the insertion hardware, except that the greater amount of data makes it a lengthier one.

It's not often that this process fails, but when it does, the traffic director is faced with hours of taxing comparisons between the original schedule and the print-outs provided by the insertion hardware. In certain extreme cases, even the print-outs are lost, and with it an entire day's revenue. In the blink of an eye, a smoothly running traffic function could collapse into temporary chaos. ■

Michael Ross is president of CCMS Inc., Grand Rapids, Mich.

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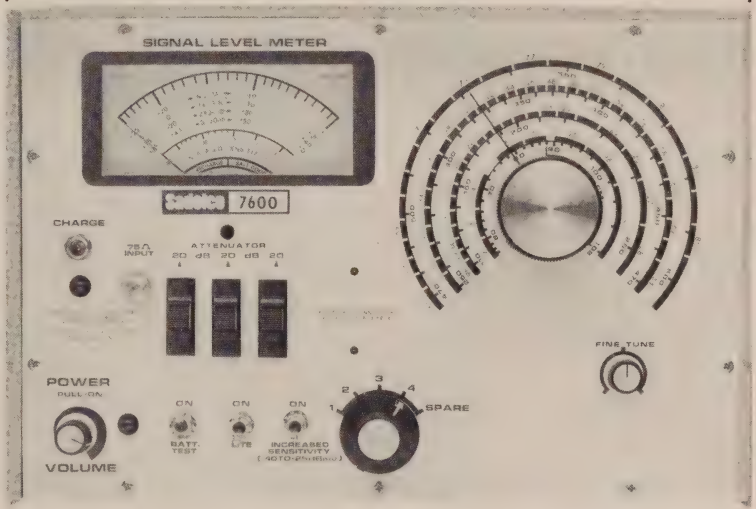

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Circle 11 on page 11.

THE SELLING OF CENTEL WAS A TEAM EFFORT.

Centel Cable Television Company
Illinois Group
Has been acquired by
Jones Intercable Inc.
Sale represents 126,000 subscribers.
DANIELS & ASSOCIATES

Centel Cable Television Company
Southeastern Florida Group
Has been acquired by
Adelphia Communications Corp.
Sale represents 125,000 subscribers.
DANIELS & ASSOCIATES

Centel Cable Television Company
Michigan Group
Has been acquired by
C-TEC Corporation
Sale represents 108,800 subscribers.
DANIELS & ASSOCIATES

Centel Cable Television Company
Central Florida Group
Has been acquired by
American Television & Communications Corp.
Sale represents 100,000 subscribers.
DANIELS & ASSOCIATES

Centel Cable Television Company
Ohio Group
Has been acquired by
Warner Cable Communications Inc.
Sale represents 76,900 subscribers.
DANIELS & ASSOCIATES

Centel Cable Television Company
Kentucky Group
Has been acquired by
Simmons Communications Inc.
Sale represents 63,000 subscribers.
DANIELS & ASSOCIATES

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Front Row (left to right): Bill Fitzgerald, Brian Deevy, Chip James Back Row (left to right): Dan Forey, Richard Bridgforth, Tim David

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Business

CAVEAT EMPTOR

British Telecom's U.K. cable systems seem like attractive purchase targets. They could be, as long as the bidder understands the potential pitfalls.

Tom Kerver
Senior Editor

With cable franchising applications in Britain now on hold until the **Independent Television Commission** begins operation sometime early next year, new investment opportunities in the British cable market are minimal. However, **British Telecom's** recent announcement that it intends to explore the possibility of divesting itself of its cable interests opens a new avenue of opportunity for North American companies interested in the British market.

While that may sound well and good, there are several serious obstacles standing in the way of any potential purchaser.

Principal among these obstacles is that BT really doesn't seem to know what it wants to do. Although BT is the largest single cable operator in Britain at the moment—a fact that will quickly change as new franchises are built by North American investors—many knowledgeable observers think that BT hasn't really made a serious effort to understand the cable business.

In an effort to diffuse that type of criticism, **Ashley Rayfield,** BT's American-based chief of investor relations, says, "Actually, we're reviewing all possibilities with respect to the future of our cable investments. To conjecture that we definitely want to sell off the operating rights while retaining control of the physical plant would be a correct expression of our preferred position; but there's always room for negotiation." (In earlier announcements BT indicated that it doesn't want to let go of the physical plant it has already constructed.)

"We recognize," Rayfield continues, "that the preferred option may not always be the one that is agreed upon." Stressing that he is speaking for himself and not necessarily reflecting BT's corporate position, he goes on to conjecture that, "I would expect that we would seriously consider offers that included giving up control of the physical plant—providing, of course, that the scope of our investment in the plant was reflected in the offer."

If BT were to make concessions with respect to its preferred position, that would make things "a lot more appealing to prospective buyers from North America," says **Communications Equity Associates** senior vice president **Mark Sena.** "Most cable operators I have talked to regarding the BT properties seem to regard the

British Telecom Cable Operations

The company is actively involved in cable operations, although times could become rocky.

	BT %	Franchised	Area Homes	Subs.	% Penetration
Aberdeen	59.5	11/83	91,700	10,155	11.1
Coventry	75.5	11/83	113,000	12,713	13.5*
Swindon	100.0	11/83	84,000	8,821	21.3*
Westminster	45.0	11/83	120,000	9,727	19.9*
Belfast	80.0	11/83	136,000	0	0
Th. Valley	100.0	12/83	200,000	0	0

*Indicates penetration of homes actually passed to date, as construction is still not finished.

Source: *Financial Times*—New Media Markets

notion of splitting the operation and the plant ownership as an unacceptable solution," Sena adds.

But BT has cause to be concerned about giving up its control of the plant, says Rayfield. If the company sounds a bit paranoid on this subject, it has reason to be. "First of all," Rayfield explains, "later this year, the government will undertake a mandated review of the duopoly structure for the provision of telephone services. We don't know what the outcome of that review might be, and we are simply reluctant to lose anything that we have built and hold the rights to."

There was a time, not too long ago, when BT had exclusive rights to provide telecommunications services within the United Kingdom. But government-authorized competition from **Mercury Communications** (a subsidiary of **Cable & Wireless p.l.c.**) deprived BT of its monopoly. Now, BT is apparently concerned that an even greater measure of competition could be authorized when the duopoly review is completed. Each British broadband cable franchise carries with it a telecommunications license; and it was the attractiveness of that license—more than any other factor—that prompted BT to become a cable franchisee in the first place.

Why, then, didn't the company gobble up all the recently offered franchise opportunities instead of allowing them to be siphoned off to North American companies (including several **Bell** regional operating companies)? The answer is not simple. One reason is clearly the fact that BT did not expeditiously complete construction of its authorized franchises. That earned it low marks from the government body that authorizes franchises: **The Cable Authority.** Despite that, however, BT did win a franchise at the end of 1988: an affluent area of ex-urban London known as Thames Valley. "There were quite a lot of eyebrows raised when BT was awarded the Thames Valley franchise, since its speed in constructing other franchises was something less than sensational," says a U.S. investment banker familiar with the British franchising process.

On the other hand, the Cable Authority has clearly been under pressure to grant licenses to domestic, rather than foreign, applicants. The problem has been that the British banking and investment banking communities have failed to show much support for the promise of cable. ("Look Who's Going to Britain," *Cable tv Business,* Jan. 15, 1990, pages 20-26.) With its vast capital resources, BT has the wherewithal to support construction of a cable/telecommunications franchise without having to rely on outside bankers. Under the circumstances, BT's willingness to apply for the Thames Valley franchise thus apparently made sense to the Cable Authority.

If all this seems to reflect a lot of ambivalent feelings—both on the part of British Telecom and the Cable Authority—the situation is compounded by BT's conviction that there's a lot of value in exploring fiber-to-the-home (or fiber-to-the-business) possibilities. BT, in fact, has an experimental license to serve approximately 400 homes and businesses with a fiber network that will provide voice, video and data services. Its willingness to sell off its cable franchises in no way affects its strong desire to proceed with this and other possible fiber experiments.

Says Rayfield, "We are precluded by regulation from using the same wire to provide both entertainment and telecommunications, but fiber experimentation could make it very practical to do so—especially when it comes to business services. If there is to be further liberalization of telecommunications policy, we would like to see it include a single-wire authorization. However, we must now debate internally on what we would be willing to sacrifice if this kind of situation were to come about. One thing we are definitely not willing to sacrifice is the local loop that provides voice service. And that's yet another reason why we are so reluctant to let go of any physical plant."

At the same time, however, Rayfield says BT is now questioning whether broadband cable (or fiber, for that matter) is ever likely to become the preferred delivery method for entertainment and information programming. "Look," he points out, "at the fact that (**Rupert Murdoch's**) **Sky Television** now serves about 600,000 homes in Britain and Ireland, most of whom get it through a satellite dish that has cost them about 200 pounds. It has taken nearly seven years to get cable into less than 100,000 homes; and Sky has brought on more than six times as many customers in just over a year."

Moreover, he adds, "Our research seems to indicate that the bulk of people who subscribe to cable in Britain are at the lower end of the socio-economic spectrum. They are not the ones who spend the kind of money that television advertisers are looking for. Someone called cable a sunset industry that never had a sunrise. I wonder how many people who have spent 200 pounds for a satellite dish will be willing to discard that investment and take cable instead." (For an up-to-date examination of the satellite programming situation in Britain, see "The Battle of Britain—Circa 1990," *Satellite Communications* magazine, April, 1990.)

What BT would seem to prefer, then, is not unlike what some U.S. regional Bells have proposed. Many RBOCs have suggested that their role in U.S. cable would be something akin to a "transportation service." Their function, they say, would merely to be to act as a conduit without control of the content of the material passed through that conduit. This, they argue, is no different from the carriage of telephone conversations, the content of which they do not control. Rayfield puts it this way, "What we're really talking about is selling the right to deliver entertainment and other broadband services to customers. We

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have already done the hard work in constructing the plant. All the cable operator has to do is feed his programming through our pipeline and market the service to his customers."

Thus, what BT really seems to be looking for is a renter rather than a buyer. There's another problem, however. It's the fact that BT doesn't really have a whole lot to rent out. For example, only one of BT's six cable franchises has been fully constructed. And, in that one case (Aberdeen, Scotland), the system has suffered such serious losses that it faces the prospect of being closed down.

BT is not the sole owner of the Aberdeen system, which passes about 92,000 homes. It owns 59.5 percent, but controls about 71 percent of the voting shares as a consequence of what was supposed to be a system-saving cash infusion in 1988. **ATC** is a minority investor, but to date it has expressed no interest in taking a more active role or pumping more cash into the system. On the other hand, the system's former general manager, **Graham Duncan,** is reportedly eyeing the property in conjunction with his U.S. partner—cable entrepreneur **Jerry Vento.** But, as one financial expert puts it, "Neither Duncan nor Vento has adequate capital to acquire the system unless they can add some kind of third-party support."

At the moment, then, BT's only fully completed plant is anything but a seller's dream; and it could well prove to be a buyer's nightmare.

As to the other five BT properties, each presents unique problems for any potential buyer. Three of the five are partially completed: Coventry, Swindon and the City of Westminster (London).

Swindon probably offers the most clear-cut opportunity of the three, since BT owns 100 percent of that franchise. BT's Coventry investment is slightly greater than 75 percent. In Westminster, BT is one of two co-equal (45 percent each) investors, the other being entrepreneur Brian Deutsch with backing from **Prudential Bache.** The appeal to a renter of a partially completed plant is open to question, as is the whole situation in Westminster because BT does not control more than 50 percent of the system.

BT's other two franchises—Belfast and the aforementioned Thames Valley—offer the most straightforward opportunities to potential buyers

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The cable television company of Westover TV Cable Company, Inc., serving Westover, Brookhaven, Sunset Beach, Kingswood Pike, Monongah, and Meadowdale, West Virginia. This sale represents over 7,800 basic subscribers. Marty Jensen represented the seller in this transaction.

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PYMS

PYMS CABLE BROKERAGE, INC. **SOLD**

The cable television company of E&E Cable Service, Inc., serving the towns of Colfax, Millersville, Pleasant Valley, Rivesville, Whitehall, and portions of Fairmont, West Virginia. This sale represents over 2,400 basic subscribers. Marty Jensen represented the seller in this transaction.

PYMS CABLE BROKERAGE, INC.
Pamela A. Pyms, President
222 Milwaukee Street, Suite 302
Denver, Colorado 80206
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Fax: (303) 388-9057

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continued

because neither has anything to rent: the plants have not yet been constructed. (Of course, BT could insist on building the plant as part of any deal, but the pace of its track record of plant construction does not make that sound like an enticement to anyone who wants a cable plant operating before the end of this century.)

Belfast, the scene of frequent bombings and terrorist acts, is not exactly the kind of location that attracts cable investors in droves. The Thames Valley franchise, on the other hand, is probably the most attractive opportunity among the six, even though the bulk of its residents are high—rather than low—on the socio-economic scale that seems so important to BT.

Given this crazy quilt of complexities, would anyone from the United States, Canada or Great Britain really be interested in making an investment on BT's preferred terms? BT claims it has potential buyers in the wings, and it has let slip the names of the two U.S. RBOCs who have to date become the most involved in Britain (i.e. **U S West** and **Pacific Telesis**). BT's partners in systems that it doesn't fully own have also been mentioned as potential buyers on a system-by-system basis. And Canada's **CBC Broadcasting,** a Coventry partner, has also been mentioned in connection with Swindon and Westminster. Finally, according to a knowledgeable source, Alabama-based **Masada Corp.** is reportedly looking seriously at the two unbuilt franchises.

Many observers feel that other bidders will be making an appearance soon. If they do, it would underscore the fact that experienced cable operators seem certain that, despite all the problems, they can build penetration well beyond what BT has been able to accomplish in that regard. The door, it seems, is still wide open. But any would-be investor would be well advised to look carefully behind that door before closing it.

A DEAD ISSUE?

Do private market values still mean much?

For as long as most cable financial analysts can remember (actually it has only been about six years), the subject of private market values vs. public market price is raised in just about every discussion relating to a publicly traded cable or media company. **Tele-Communications Inc.** president **John Malone** and cable analyst/investor **Paul Kagan** can probably share the credit (or the blame) for having made this a topical conversation piece at cable gatherings.

Now, however, there's serious question whether this analytical approach makes much real difference when discussing the respective values of cable and media properties. In the wake of the **Drexel Burnham Lambert** collapse and the demise of junk bond financing, private market values suddenly have become a ho-hum matter that seems to be more the purview of theorists than realists. (The so-called "private market value" of a company is what its assets would be worth if someone were to buy that company and proceed to sell those assets off on a piecemeal basis.)

In the 1980s, acquisitions followed by selloffs were commonplace, so it made sense to speak of private market values. Leveraged buyouts, heavily financed through the issuance of junk bonds, were the force that made such acquisitions possible. Today it's highly unlikely that any kind of significant leveraged buyout would be possible—in cable or in any other line of business.

Because the financial environment has changed, most discussions of private market values now seem more interesting from a theoretical than from a practical standpoint. Of course, a company's management can still use private market value analysis to assess its financial position. On the basis of such assessments, it can make internal decisions regarding its approaches to different segments of the financial market or regarding opportunities to repurchase its own stock on the open market.

Beyond that, however, there's little reason for private market value analysis. About the best thing it can do for today's investor is give him a sense of satisfaction in knowing that he holds equity in something that's apparently worth more than his fellow investors think it's worth. Unfortunately, in the real world of 1990, he has little chance of turning that kind of knowledge into profit.

SLOW SALE ZONE

First quarter acquisitions at snail's pace.

The Sales & Acquisitions section (page 49) typifies what has been happening during the first quarter of 1989 in terms of cable transactions. The only announcement of any major consequence during the quarter was the yet-to-be-financed purchase of **Star Cablevision's** Wisconsin systems by **Marcus Communications.**

There's no shortage of talk about pending sales. Rumors of who might be purchasing **Insight Communications** or **Palmer CableVision** systems continue to circulate. The problem is that the rumors aren't translating into signed documents. In terms of overall sales (not counting closures of previously announced sales carried over from last year), this looks as if it may have been the slowest first quarter in eight or nine years. (We'll leave it to the numbers crunchers to figure out exactly when the last time was that the industry witnessed such a dearth of transaction announcements.)

Right now, there's virtually no segment of the financial community or

of the investment community that's particularly supportive of cable. That was clearly apparent at the recent investment conference sponsored by the investment banking firm of **Hanifen Imhoff Inc.** Investors were looking almost everywhere except at cable as a place to invest their capital. Said Hanifen Imhoff analyst **Ken Goldman,** "About one third are waiting for the price of stock to drop even more before they buy in, while the remaining two thirds don't seem to be interested at any price."

Similarly, it takes a lot more creativity to find financing. For example, president **Jim O'Brien** of **Jones Intercable** said at the conference that his company's principal financing thrust will be to attempt to find more "strategic partners" such as **Hallmark Cards** to help Jones finance the acquisition of its public limited partnership properties when they mature.

One MSO investor who likes the situation is **I. Martin Pompadur,** chairman of **MultiVision Cable.** Now that he has found a well qualified and highly respected manager (**Dave Van Valkenburg**) to assume operational control of the oft-maligned MSO, Pompadur says he is ready to start acquiring cable properties once again. "With Dave on board," Pompadur says, "I think we'll get more favorable attention from the financial community. Our past problems are old news, and we've got a lot to look forward to. We haven't acquired anything in more than a year, and I still believe cable is the best media investment around. So, you can expect that we'll be getting very active in the acquisition market. I know that money is hard to come by these days, but we've had a pretty good track record at raising capital, and I think that record will put us in a favorable position."

Pompadur is not the only cable investor who continues to have access to the financial markets. Those who have been the most successful in the industry are the ones who have followed the dictum about buying low and selling high. While, from a political standpoint, it may not be a particularly good time for the TCIs of this industry to be aggressive buyers, the temptations are strong from a business standpoint. Thus, it wouldn't be surprising to see some of the industry's big names starting to acquire properties once again in the near future.

SALES & ACQUISITIONS

Cable Video Enterprises Inc. has acquired **Anadarko Cable Televi-**

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Circle 14 on page 11.

sion, which services 2,174 subscribers in Anadarko, Okla. **Hardesty Puckett & Co.** represented the sellers.

ACI Management of Nashville, Tenn., has purchased three cable systems in Arkansas with a combined 1,100 subscribers for slightly more than $1.2 million ($1,100 per subscriber). Although the announcement of the sale was just made, the transaction actually occurred last September. **Pat Thompson Co.** was the broker.

Prime Cable's (with possible investment from **Pacific Telesis** subsidiary **PacTel Corp.**) purchase of the **Group W Chicago** cable properties is expected to close prior to April 1. The announced price is $199 million ($1,913 for each of the system's 104,000 subscribers).

C-Cor Electronics has acquired **Acunet Data** Systems, Inc., the Canadian-based distributor of C-Cor products.

Adelphia Communications has completed its previously announced acquisition of **Joseph S. Gans Inc. Daniels & Associates** assisted the seller in the transaction.

Rogers Communications of Canada, through a new U.S. subsidiary incorporated in Delaware, is reentering the U.S. cable operating business with the purchase of **Matanuska Valley Cablevision Inc.,** which serves about 3,300 subscribers in two communities north of Anchorage, Alaska. **Communications Equity Associates** acted as financial adviser to the seller.

MONEY MATTERS

Digital Radio Laboratories has obtained $6 million in equity financing from a private investor group to support the start-up of the cable-delivered Digital Radio Channel. Among the investors is an affiliate of **North American Philips Corp.** Says a Philips spokesperson, "Digital Radio's business concept has many potential synergies with Philips businesses in the consumer electronics, recording and cable TV groups." Other investors include **Orion Ventures, InterVen Partners, Crosspoint Venture Partners** and **Enterprise Partners.** The latter is identified as a major shareholder in **CableData Corp.**

Canadian Imperial Bank of Commerce is purchasing approximately $1 billion of the communications loan portfolio of the troubled Bank of New England. The purchase includes the bulk of the New England bank's cable loans. Because the **Bank of New England's** problems are unrelated to its communications loans, those assets are regarded as desirable properties. The portfolio is being sold at par value, and the transaction is expected to be completed by the end of April. Several members of the Boston-based bank's communications lending staff will join the Canadian bank to help manage the portfolio.

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Circle 15 on page 11.

PEOPLE

Vibeke Holm-Hansen was named Denver bureau chief of **Cable tv Business** magazine, according to editor Chuck Moozakis. Holm-Hansen, who has covered the telecommunications industry for more than three years, will succeed Tamara Bennett, who resigned to join a Denver-based organization.

Holm-Hansen

David R. Van Valkenburg was appointed president and chief operating officer of MultiVision Cable TV Corp. headquartered in Greenwich, Conn. Van Valkenburg most recently was president and CEO of Cablevision Industries Inc. He has also served in top executive positions with Cox Cable Communications, Paragon Communications and American Television and Communications Corp. MultiVision chairman, I. Martin Pompadur, has indicated that he plans to give Van Valkenburg full operating and management authority over all MultiVision systems.

Van Valkenburg

William J. Rosendahl was appointed vice president of operations for Century Southwest Cable Television.

Earl Weirich has been named vice president of public relations for The Family Channel.

Charles H. Helein joined the communications practice of the Washington law firm Arter & Hadden as a partner.

Comcast Corp. elected five members of the company's management group to the position of senior vice president: **John R. Alchin,** senior vice president and treasurer; **Thomas G. Baxter,** senior vice president and president, Comcast Cable Communications Inc.; **Robert B. Clasen,** senior vice president and president, Comcast International Holdings Inc.; **Lawrence S. Smith,** senior vice president, accounting and administration; and **Stanley Wang,** senior vice president, secretary and general counsel.

Michael Ghibaudi was named business manager for SportsChannel America.

Elaine Estes was promoted to the position of director of national accounts for Prevue Guide Channel.

Drew Parkhill was promoted to the position of news director for CBN News, the news division of the Christian Broadcasting Network Inc.

Robert Golden was named director of program planning for The Comedy Channel.

Michael Smith was named manager of national accounts by The Disney Channel.

Joseph F. Hayes was named general manager of the Continental Cablevision system based in Middleboro, Mass.

Michael Hanisch was appointed sales executive for United Video Inc.

Cis Wilson was promoted to vice president, Cinemax original programming. Also at Home Box Office, Mark Taffet was named vice president, pay-TV finance.

Kathleen V. Horst was appointed western regional sales manager for Cable Security/Power Guard.

Gene Craddock was appointed director of operations for Business Systems Inc.

Linda Moffat was promoted to regional vice president/northeast division for Turner Cable Network Sales.

Bill Beard was named vice president, eastern sales manager for The Family Channel.

Donna Davis was named director of

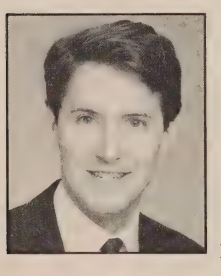
PEOPLE

continued

sales for Prevue Guide Channel.

Suzanne Nielsen has joined Cable Television Laboratories Inc. as a technical writer. Also at CableLabs, **Stephen Dukes** will serve as project manager for advanced network development. Additionally, **David Eng** will serve as senior electronics technician, **Brian James** has been named director of advanced television testing, and **David C. Chang** was appointed to serve on the technical advisory committee steering subcommittee for CableLabs.

Jack Flannery has been appointed director, affiliate sales and marketing for International Cablecasting Technologies Inc.



Flannery

Bonnie Burns was named West Coast executive producer of the Comedy Channel.

Kathie Delkos was named administrative director of the Southern California Cable Association.

Jim English and **Bob Bedell** have been promoted to the position of senior vice president, programming and senior vice president, sales and marketing, respectively, for Viewer's Choice. Additionally, **Liegh Bolton** has been promoted to executive director, video promotion for Viewer's Choice.

Robert Drogus has joined the Armstrong Group of Companies as coordinator of government affairs.

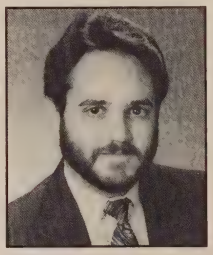
Max Berry was named manager of strategic planning for Faroudja Research Enterprises' New Jersey office.

William H. Corning has been named vice president/CATV Eastern division for Valco Mechanical Inc.

Jeffrey P. Kramp was appointed president of Vista Cablevision Inc. in Denver.

Lynne Smith has been named affiliate marketing representative for United Video Inc.

James Honiotes was named general manager of Jones Intercable's Colorado systems. Also at Jones, **Ann Montague** has been named manager for the company's Broomfield, Colo., cable television system.



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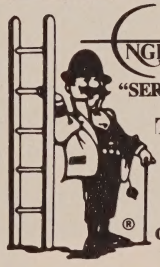

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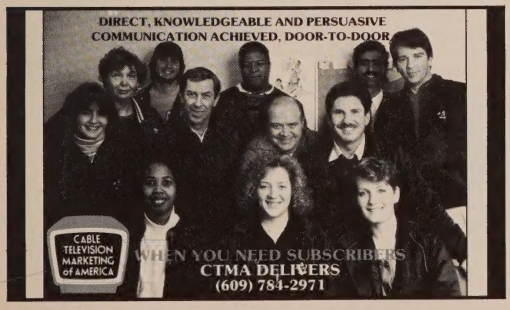

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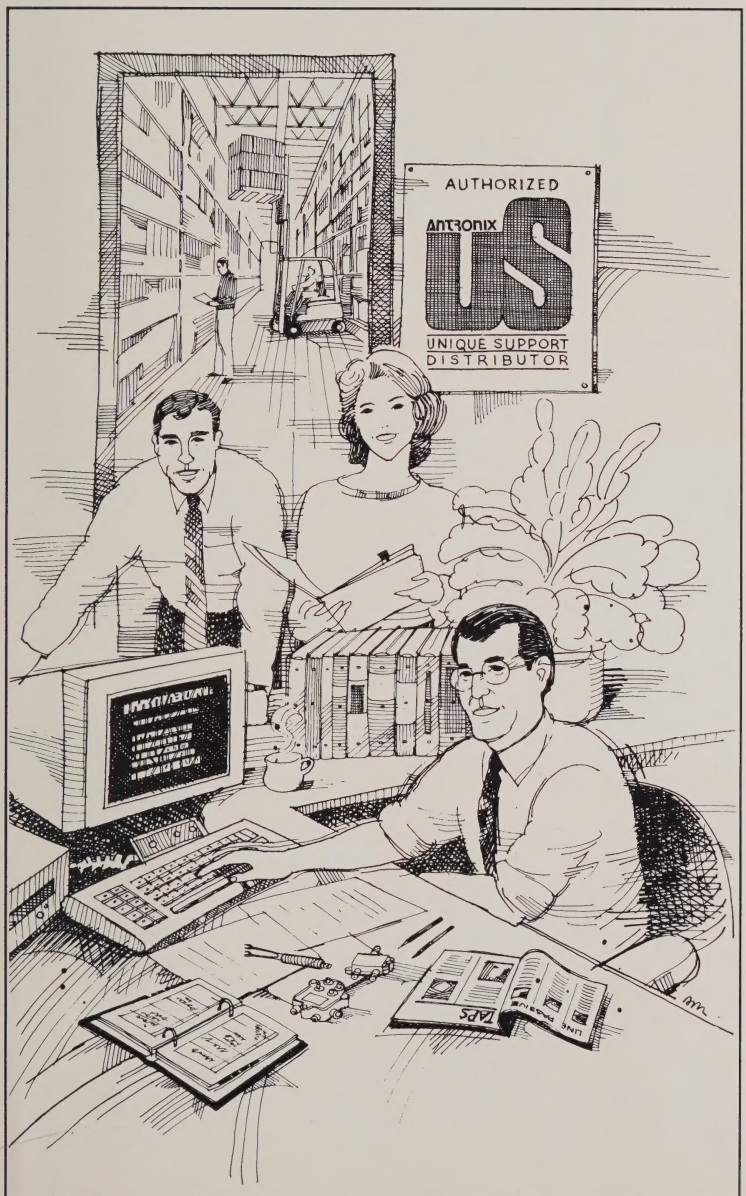

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